PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 524 (Part 1)

HOUSE OF COMMONS

OFFICIAL REPORT

FIRST SESSION OF THE FIFTY-FIFTH PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
SIXTIETH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2010–2012

COMPRISING PERIOD
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28 February 2011

THE
PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-FIFTH PARLIAMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 18 MAY 2010]

SIXTIETH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES **VOLUME 524**

FIFTEENTH VOLUME OF SESSION 2010-2012

House of Commons

Monday 28 February 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

COMMUNITIES AND LOCAL GOVERNMENT

The Secretary of State was asked—

Voluntary Sector

1. **Dr Alan Whitehead** (Southampton, Test) (Lab): What assessment he has made of the likely effects on the community and voluntary sector of reductions in levels of Government funding for local authorities. [42485]

8. **Julie Hilling** (Bolton West) (Lab): What assessment he has made of the likely effects on the community and voluntary sector of reductions in levels of Government funding for local authorities. [42492]

18. **Pat Glass** (North West Durham) (Lab): What assessment he has made of the likely effects on the community and voluntary sector of reductions in levels of Government funding for local authorities. [42503]

The Minister of State, Department for Communities and Local Government (Greg Clark): Spending decisions are a matter for local councils, but no council will see its spending power fall by more than 8.8% next year. Councils face difficult decisions owing to a fiscal crisis that was not of their making or of ours. The best councils are expanding the opportunities for the voluntary sector to help them to make savings. The worst-run councils are targeting the sector for disproportionate cuts. We are requiring all councils to be transparent in their actions.

Dr Whitehead: Next year, my local authority is cutting more than 20% of its running grants for voluntary and community organisations, which means that organisations such as the citizens advice bureau, the council for voluntary service and advice services generally will find it almost impossible to continue to support the volunteers they have supported over the past year. Does the Minister think that authorities such as Southampton will rue the day they did that, or is he rueing the day that he enabled his Department to acquiesce so readily in the cuts to local government funding that he has endorsed?

Greg Clark: I have made it very clear that councils should not cut disproportionately. I hope that the hon. Gentleman will take the opportunity to meet his local council. I understand that the leader of the council has invited every voluntary organisation to come to see what other opportunities there are for them within the council. I also hope that if he does go to the council, he will reflect on the fact that every Conservative and Liberal member has taken a 5% cut in their allowances, but Labour members have refused. When he is in city hall, I hope that he will get his friends there to make their contribution to the voluntary sector.

Julie Hilling: The Government have completely cut the grant to vinolved—a youth volunteering project—cut the grant settlement to Bolton council by £60 million, which will amount to 25%, and last year cut £1.3 million from Bolton's grant to the voluntary and community sector. Bolton council is prioritising funding to the voluntary and community sector, but cannot work miracles with no money. Why is the Minister not listening to and supporting the voluntary and community sector?

Greg Clark: I do not know whether the hon. Lady listened to the debate in the Bolton council chamber on Wednesday—it was its budget meeting—but I did. I listened to it live on the internet, and it was fascinating. Two things emerged: first, the director of finance warned two years ago that the council should get its house in order, but was overruled by Labour members; and secondly—and disgracefully—a motion by the Conservative group to provide a fund to protect voluntary organisations was voted down by her Labour colleagues. She pipes up in this House, but can she pluck up the courage to talk to her colleagues in Bolton?

Mr Speaker: I call Pat Glass. She is not here. I call Andrew Bridgen.

Andrew Bridgen (North West Leicestershire) (Con): Does my right hon. Friend agree that it is now more important than ever that local councils maintain and strengthen their links to community and voluntary groups, because these very groups can lead to innovative ways of delivering very high quality public services?

Greg Clark: They can indeed, and I am grateful to my hon. Friend. Reading council, for example, has taken the opportunity to increase funding to the voluntary sector, knowing that actually it helps it to change its services and make some of the savings it is required to make.

Richard Fuller (Bedford) (Con): Does my right hon. Friend recognise the need to bring forward legislation to strengthen the ability of charities to come together to get the expertise to procure and gain contracts from local authorities that all too often set the rules in ways that do not enable charities to provide the services in their local communities that they really want to provide?

Greg Clark: My hon. Friend is exactly right, and that is why he will know that in the Localism Bill we are establishing rights for every voluntary organisation in the country not to be rebuffed by local authorities but to make a challenge to provide services, if they can demonstrate that they can do it better. That is the right approach, but it did not happen during the 13 years of Labour party rule.

Caroline Flint (Don Valley) (Lab): We all know that local councils are the largest providers of public funding to the voluntary sector, which has grown over the past 10 years, particularly through the partnerships that operate so successfully up and down the country. What was the Department's estimate of the number of jobs that would be lost in the voluntary sector as a result of the front-loaded cuts the Government have imposed on councils, and will the Minister confirm that the Government's transition fund, which was meant to help charities that have lost funding, was closed to bids on 21 January, before most councils had even finalised their budgets?

Greg Clark: I welcome the right hon. Lady to the debate; I had thought that her silence on matters concerning the voluntary sector might be terminal. We have made it very clear that councils should not cut disproportionately, but she has been absolutely silent, as have her Front-Bench colleagues, about Labour councils that are taking their cuts out on the voluntary sector. We have provided £100 million of transition funding, which is now being taken up. The first grants have been paid this week. I look forward to the right hon. Lady writing to members of Labour councils up and down the country and joining us in making it clear that they should not cut services.

Caroline Flint: Labour has always celebrated the partnership between local government and the voluntary sector, and under a Labour Administration we saw those partnerships grow. We saw local voluntary groups taking over some of the services that councils had traditionally run. The fact is that it is not only we who are raising concerns about the threat to the voluntary sector: 88 Liberal Democrat council leaders have made a public statement about their concern, and we know from a freedom of information request that Tory council leaders have also raised concerns about the front-loading of the cuts that they are facing, so the Minister should not make any party political points on this. However much he might pretend otherwise, is it not the truth that every Home-Start that goes to the wall, every over-60s club that closes and every domestic violence shelter that shuts—

Mr Speaker: Order. I think we have got the thrust of the right hon. Lady's question, and we are grateful to her.

Greg Clark: I wish the right hon. Lady was more vocal when she talked to the Labour councils that are making disproportionate cuts up and down the country. The fact is that they are having to make those cuts as a result of the policies of the previous Government, who left a completely unsustainable legacy. Our spending on debt interest is almost twice the amount that the council tax raises. Labour politicians got local authorities into this mess, and they are not playing their part in helping the voluntary sector. They should be saying very clearly, as we are doing, that councils should not make disproportionate cuts.

Mr Speaker: Order. We need to speed up from now on. Questions and answers are simply too long.

Sustainable Rural Development

2. **George Freeman** (Mid Norfolk) (Con): What steps the Government are taking to encourage local authorities to promote sustainable rural development through an integrated approach to employment and housing in rural communities. [42486]

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): The Government are committed to integrating national planning policy on the rural economy and housing in the streamlined national planning policy framework, which will include a presumption in favour of sustainable development. Through neighbourhood planning, we will also enable local authorities to have greater control over the delivery of the services, jobs and homes that their areas need.

George Freeman: After a decade of neglect under the previous Government, large swathes of rural Britain have suffered as post offices, pubs and small businesses have closed. Is it not key to rural communities to get jobs and small housing developments back into our rural villages, and will not the excellent Localism Bill help us to change the sustainability rules introduced by Labour that have made that impossible?

Robert Neill: The Bill will introduce neighbourhood planning measures and the community right to build, which will enable the incremental growth of villages. This will empower local communities, particularly in rural areas. Also, as I have said, we are revising the whole national planning priority framework, which will enable us to ensure that we have genuine sustainability—the right development in the right places to meet the right needs—while removing the top-down targets that have often resulted in inappropriate development being foisted on rural areas.

Local Authority Employment

3. **Stephen Timms** (East Ham) (Lab): What recent estimate he has made of the likely change in aggregate levels of employment among local authorities in the next four years. [42487]

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): No estimate has been made of the change in aggregate employment levels among local authorities in the next four years. It is for individual councils to make their own decisions about how their local work forces are organised and managed to ensure the efficient delivery of services for local taxpayers.

Stephen Timms: I think there should have been such an estimate. The Office for Budget Responsibility has projected a net loss of 40,000 in public sector employment in the next financial year, yet the Conservative-led Local Government Association says that 100,000 jobs will be lost in local government alone in the coming financial year. How have the Government got this calculation so badly wrong?

Robert Neill: It is precisely because it is down to local authorities to configure their work forces to meet local needs and priorities that the Government have not sought to make a calculation and therefore cannot get any such calculation wrong. The right hon. Gentleman might also like to reflect on the fact that some of the figures being bandied about relate not to actual reductions in jobs but to consultations on potential changes that might not come to pass.

Greg Hands (Chelsea and Fulham) (Con): Will the Minister join me in congratulating Hammersmith and Fulham council, which, in four years of Conservative control, has reduced its staff by a third, from 4,087 to 2,787, with almost no redundancies? It has cut the communications staff by half and reduced the human resources headcount from 100 to 47, all at a time when its services are rated among the highest in the country.

Robert Neill: Hammersmith and Fulham is an exemplar of how councils with imagination and political courage can deal with the matter. My hon. Friend is right to point out that it has done so—without any significant redundancy—by deleting needless posts.

Jack Dromey (Birmingham, Erdington) (Lab): Following a detailed survey of 202 councils, the Local Government Association has confirmed that, because of the scale and speed of the cuts imposed on local government, it stands by its prediction that 140,000 jobs will be lost. This was dismissed by the Secretary of State as a calculation on the back of a fag packet. The calculation includes Tory Hampshire, with 1,200 job losses; Tory Norfolk, with 1,500; and Birmingham, with 2,700 losses in next year alone. Sadly, the LGA got it right and the Secretary of State got it wrong. Will he now apologise?

Robert Neill: There is nothing to apologise for, because the error lies with those—including the GMB—who have calculated these scaremongering figures on the basis of HR1 forms, which relate to consultations on possible deletions of vacant posts, changes in work force patterns and voluntary redundancies. They bear no relation at all to compulsory job reductions; the hon. Gentleman should know better.

Local Authority Funding

4. **Steve Rotheram** (Liverpool, Walton) (Lab): What assessment he has made of the effects of reductions in formula grant funding on local authorities in the most deprived areas. [42488]

5. **Luciana Berger** (Liverpool, Wavertree) (Lab/Co-op): What assessment he has made of the effects of reductions in formula grant funding on local authorities in the most deprived areas. [42489]

The Minister for Housing and Local Government (Grant Shapps): Authorities in the most deprived areas will, thanks to the banded floors, receive a smaller reduction in formula grant than others. We have given greater weight to relative needs in the formula grant, and our new transition grant will make sure that no council has a spending power reduction of more than 8.8%.

Steve Rotheram: If fairness is at the heart of this Government's decision making, as clearly stated in the coalition agreement, why are the most deprived areas being hit the hardest? Given that the Minister wrongly stated that the most deprived area—Liverpool—did not receive a 30% cut to Supporting People funding, when can Liverpool expect to see a recalculation based on the 1% national average, which would result in an £11 million improvement in its settlement?

Grant Shapps: Here is something for Labour Members to take into account: one cannot take money away from authorities that are not getting it in the first place. Of course, the biggest spenders, even if we use percentages in the same region, are going to feel the impact in a different way. Liverpool, for example, still receives £764 a head, whereas my authority, by contrast, receives £229 a head.

Luciana Berger: Will the Minister congratulate Liverpool city council, which is making £100 million-worth of efficiency savings? Does he agree with the independent efficiency expert Colm Reilly of PA Consulting who said that, given the huge cuts in Government funding, the council cannot make the scale of savings necessary without affecting front-line services?

Grant Shapps: As I have said from the Dispatch Box before, nobody says that this is going to be easy. The deficit—the size of the debt—left to the country by Labour makes these reductions inevitable. However, Liverpool is latterly doing something about it; the problem is that it did not plan for this far enough in advance. Had it done so, it would have been in the same position as Trafford and other local authorities that are carrying out these reductions without some of the pain now experienced in Liverpool.

Barbara Keeley (Worsley and Eccles South) (Lab): I used to be a councillor in Trafford, and I think the Minister should reflect on the fact that the deprivation there is nothing like it is in Liverpool, Manchester and Salford—there is no comparison. The areas I have mentioned have higher levels of poverty and unemployment and much greater inequalities in health than other areas. Despite that, Ministers have chosen to inflict the deepest, the most swingeing and front-loaded cuts on those deprived areas. Will the Minister comment on the letters from 131 Labour council leaders and 88 Liberal Democrat leaders, many from deprived areas, who are united in their anger at the unfairness of the cuts and at the constant political attacks on them by Ministers, which we have heard again today?

Grant Shapps: The hon. Lady refers to Trafford, where she used to be a councillor, but that council receives much less money from the Government than do other councils, including Liverpool. The idea that they are in the same position is untrue. In addition, the hon. Lady should know that we have protected the level of reduction for some of the most needy councils by having banded floors, which means far smaller reductions in the most needy areas, while the transition grant means that no area can be affected by more than 8.8%. A range of other measures, including an increase in the deprivation index from 73% to 83%, also apply.

Antisocial Behaviour (Social Housing)

6. **Mr Philip Hollobone** (Kettering) (Con): What steps he is taking to reduce the incidence of antisocial behaviour in social housing. [42490]

The Minister for Housing and Local Government (Grant Shapps): I recently announced a package of proposals to strengthen the hands of social landlords and tenants, so that they can take swift and effective action to tackle antisocial behaviour.

Mr Hollobone: All too often, the rights of very badly behaved social tenants seem to be given more weight by the courts than the alarm and distress that their poor behaviour causes to fellow tenants in the wider community. Will the Minister agree to meet representatives of Kettering borough council, of which I am a member, to discuss how the problem can be tackled?

Grant Shapps: I am grateful to my hon. Friend for raising this important issue, of which I am aware. The amount of time that it takes to evict antisocial tenants is a severe problem, which is why the measures that I announced on 11 January included a proposal for mandatory grounds for evictions when a case has occurred before. I should be happy to meet my hon. Friend.

Mr Nick Raynsford (Greenwich and Woolwich) (Lab): Let me first draw attention to my interests, as declared in the Register of Members' Financial Interests.

It is quite right for the Government—and all of us—to take action to protect tenants against antisocial behaviour on the part of those who make their lives a misery, but do the Government not recognise that their imposition of harsh housing benefit cuts and steep increases in rents for social housing, and their termination of security of tenure for new social lettings, will inflict misery and insecurity on many more tenants in the future?

Grant Shapps: That is an entirely inaccurate portrayal of what is happening. For one thing, as the right hon. Gentleman well knows, the rent policy was set by the last Government in a deliberate attempt to merge housing association and council rents. Ministers in past Governments, including some in the last Government, recognised that the lazy consensus that houses should be given to people for ever, even if their circumstances changed, was long past its sell-by date. It is ironic that so many Opposition Members are prepared to fight and die in a ditch for a policy of lifetime tenures that was introduced by Margaret Thatcher.

Bob Russell (Colchester) (LD): Antisocial behaviour is not confined to those in social housing. Neighbours from hell may also be owner-occupiers. What action can be taken to deal with the many landlords of buy-to-let properties who do not care a damn about their tenants, let alone their neighbours?

Grant Shapps: The big difference between the public and private rented sectors is that because private sector leases tend to be for six months or more, it is much easier for landlords to terminate them. However, my hon. Friend is absolutely right to highlight the difficulty experienced in the private sector, and I am keen for the Government to assist in any way they can.

Mr Speaker: I am greatly obliged to the Minister. I call George Hollingbery.

Community Budget Schemes

7. **George Hollingbery** (Meon Valley) (Con): What expressions of interest he has received from local authorities outside the areas of the family support pilots in the creation of community budget schemes. [42491]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): Authorities in many of the 16 first-phase areas, and in a number of other places, are interested in developing community budgets in relation to a variety of local priorities, and we are discussing the possibilities with a range of Departments. The number of areas involved is constantly evolving.

George Hollingbery: May I press the Secretary of State a little further? Given the demonstrable advantages of community budgeting—value for money, local delivery, and bringing people closer to the political process—what further action is the Department taking to increase the number of projects?

Mr Pickles: I know that my hon. Friend has taken a great interest in the issue, and that he recently made a number of important points about it to the Select Committee. We are encountering some resistance locally, but we must be vigilant and push local authorities into making decisions, because the future lies in a system that enables us to bring together locally all the funds from the various Departments.

Mr Clive Betts (Sheffield South East) (Lab): I welcome the commitment made by the Minister of State, the right hon. Member for Tunbridge Wells (Greg Clark)—who is responsible for decentralisation—to look favourably on any further proposals for community budgets from local authorities, but does the Secretary of State not agree that Departments have an obligation to become more involved and proactive in this regard? Does he understand my disappointment that at a recent meeting of the Select Committee, Ministers from the Department for Work and Pensions, the Home Office and the Department of Health could not between them cite a single proposal for further decentralisation measures? Is it not time that the Government as a whole got their act together?

Mr Pickles: The short answer is yes, of course. As I said in reply to my hon. Friend the Member for Meon Valley (George Hollingbery), this is a very important Government policy, and much of the reluctance arises in Departments, on the ground. I look to the hon. Gentleman, the Select Committee and my Department—which is taking a considerable lead—to deliver on the policy. I believe that if we do so, we shall be delivering something much better.

Council Tax

9. **Mr Rob Wilson** (Reading East) (Con): How much funding his Department has allocated to local authorities to minimise increases in council tax in 2011-12. [42493]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): I beg your pardon, Mr Speaker, but I have not the remotest idea where I am.

Mr Speaker: Question No. 9 from the hon. Member for Reading East (Mr Wilson).

Mr Pickles *rose—*

Chris Ruane (Vale of Clwyd) (Lab): You are in the House of Commons!

Mr Pickles: So I am.

The Government announced in the spending review that we intend to make £650 million per annum available for the next four years to help principal local authorities, including police and fire authorities, deliver a council tax freeze in England in 2011-12. If an authority increases its basic rate of council tax by any amount, it will not be eligible for the freeze grant.

Mr Wilson: Now that the Secretary of State is back with us, may I thank him for that answer? Under Labour, since 1997 the council tax for the average home in Reading rose by 116%. This year, the new Conservative-led coalition will freeze council tax for the first time ever. On the day that the Leader of the Opposition talks of a cost of living crisis as standing up for families in the middle, does my right hon. Friend agree that the Labour party should begin by apologising for clobbering families in Reading—

Mr Speaker: Order. The hon. Gentleman will resume his seat. His question has absolutely nothing to do with the responsibilities of the Government.

Helen Goodman (Bishop Auckland) (Lab): The Secretary of State seems to have delayed the inquiry into the localisation of business rates. If it went ahead, Westminster would gain £1 billion and Durham would lose £80 million. What is he going to do to mitigate that, or is that in fact his intention?

Mr Pickles: Of course, there is going to be considerable equalisation, but it seems to me that:

> "Local business concerns are critical to good local government. There are sound democratic reasons why, in principle, the business rate should be set locally, not nationally."

That expresses the point best, and I would have thought there would be consensus on it right across the Chamber as, after all, those are the very words of the Labour party's 1997 manifesto.

Housing (North Wiltshire)

10. **Mr James Gray** (North Wiltshire) (Con): What criteria are used to determine the number of houses which should be built in North Wiltshire constituency? [42494]

The Minister for Housing and Local Government (Grant Shapps): Local authorities and communities should plan for sustainable development in their area, taking a visionary and strategic approach to be responsive to the market using robust evidence of the number of homes required.

Mr Gray: Across England, developers seem to be taking advantage of what they believe to be a policy vacuum to press ahead with large-scale planning applications. In my area for example, there are applications for 5,000 homes around Chippenham, the whole of Swindon seems to be moving westward to engulf some of the villages there, and there are applications for 280 homes in Malmesbury. Does the Minister agree that local people should decide how many houses they want and where they should be, taking account of homelessness and all that of course, but looking in areas such as mine at preserving the green belt, the countryside and our way of life?

Grant Shapps: My hon. Friend is absolutely right, of course: taking account of the housing needs survey so that homelessness and affordable housing are addressed, the numbers should be set through a process of local decision making. The days of top-down targets, which led to the lowest rate of house building since 1923, are over. That is official, because I can tell Opposition Members that just a couple of days ago the National House-Building Council announced that there had been an 18% jump in the number of home starts—the applications to start building homes. Bottom-up is starting to work.

Duncan Hames (Chippenham) (LD): My constituents have a keen interest in house building in the North Wiltshire constituency. The Under-Secretary, the hon. Member for Bromley and Chislehurst (Robert Neill), referred to "incremental" growth, which would certainly be more welcome to them than the urban extensions we have experienced in years past. Will the Minister confirm that decisions on house building should be based on meeting local housing need rather than catering for population movements from elsewhere in the country?

Grant Shapps: The idea that Ministers can sit in Whitehall and somehow dictate these tractor-like targets on five and 10-year plans has finally ended, I am pleased to say. My hon. Friend will be relieved to know that deciding where housing should go will now be an entirely local decision, prompted by the new homes bonus and other mechanisms.

Social Housing

11. **Jonathan Lord** (Woking) (Con): What steps he is taking to address under-occupation of social housing to promote social mobility. [42495]

The Minister for Housing and Local Government (Grant Shapps): In January, I announced a £13 million programme to address under-occupation by offering support to tenants who wish to move. Our radical social housing reforms will also involve introducing for the first time a national home swap programme.

Jonathan Lord: I am grateful to the Minister for that reply. In my constituency there are a large number of families in overcrowded and cramped housing waiting for a suitably sized home, and the wait for larger homes can be several years. All the while, of course, there are people living in oversized social housing that is no longer needed. Apart from the better home swap scheme that he mentioned, what more can be done to encourage those who are reluctant to downsize, in order to free up that housing?

Grant Shapps: My hon. Friend is absolutely right. There is an extraordinary 430,000 people living in homes with two or more spare bedrooms, while nearly a quarter of a million people are living in overcrowded circumstances. None of this makes sense, and we have just announced a scheme whereby people are helped to move where they want to. There is no question of anyone being required to move, but assistance with utility bills and bank accounts being moved, for example, turns out to be one of the most useful things available, particularly for elderly people who are interested in moving home.

Mr Andy Slaughter (Hammersmith) (Lab): On reflection, would the Housing Minister like to withdraw his comment that social tenants are "given" their homes? In fact, social tenants enter into a contractual relationship and pay their rent like any other tenants. Does that not show the contempt the Tory party has for them, particularly as he was given his seat by Lord Ashcroft?

Grant Shapps: On reflection, the answer is no. The truth of the matter is that homes are allocated to people who are in need because they are in need. The idea that just because at one point in their life they were in need, they should continue to have that home and be able to hand it on to another generation, lives, I am afraid, with a past generation. Even the shadow Secretary of State, when she was in my position, accepted the point that housing reform was greatly overdue.

Departmental Administration (Spending)

12. **Matthew Hancock** (West Suffolk) (Con): What steps he is taking to remove unnecessary spending on administration within his Department. [42496]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): We are developing an efficiency and reform plan and restructuring the Department to make it smaller and stronger and focused on coalition priorities. We have outlined a new thrift campaign, implementing ideas to remove unnecessary spending on estates, ICT, hospitality and procurement.

Matthew Hancock: I am extremely grateful to my right hon. Friend for that answer. Does he regret the fact that in 2008 and 2009, the Standards Board for England spent £5,570.54 on just nine chairs? Has he put an end to such shocking waste, not just in his Department but in agencies such as the Audit Commission for which he has responsibility?

Mr Pickles: Indeed, and perhaps I should thank my hon. Friend for his excellent report on procurement and the improvement of efficiency in local government. It has been a colossal shock to discover how public expenditure was simply allowed to be wasted under the previous Government. I believe that there was an atmosphere in which the view was, "It's not our money and we can spend it as we like." We have reduced all manner of expenditure, ensuring that we reduce the number of printers and the amount of colour printing, that we cancel a number of non-essential subscriptions, and make increased use of video conferences and the like. Those all add up and all make a significant difference.

New Homes Bonus (Charnwood)

13. **Nicky Morgan** (Loughborough) (Con): What estimate he has made of the level of funding from the new homes bonus which will be allocated to Charnwood borough council. [42497]

The Minister for Housing and Local Government (Grant Shapps): A provisional allocation was made to Charnwood borough council the week before last, which I announced, of £644,387 under the new homes bonus.

Nicky Morgan: I thank the Minister very much for his reply. There is a real need for affordable and family-sized housing in my constituency and on the part of Charnwood borough council. How is the new homes bonus going to help councils to provide such housing?

Grant Shapps: The great thing with the new homes bonus is that it is a lot more flexible regarding the type of housing required. It will pay more where the homes are family-sized and therefore attract a higher council tax band; but in addition—I am sure that Opposition Members will welcome this—every affordable home built will receive a flat addition of £350 per year, the equivalent to about a third extra over and above the new homes bonus on other houses.

Alison Seabeck (Plymouth, Moor View) (Lab): I should start by declaring my indirect interests, in line with those already mentioned by my right hon. Friend the Member for Greenwich and Woolwich (Mr Raynsford).

I am sure that the people of Charnwood listened with interest to the Minister's response, but they will not have heard him admit that Kensington and Chelsea get 52% more in funding per new home than the constituency of the hon. Member for Loughborough (Nicky Morgan), and 91% more than Hull. He also conveniently forgot to mention that the council's revenue support grant would have to be cut to fund the new homes bonus, with money transferring from deprived areas to wealthy ones. So those areas with the greatest need for housing will not get it, while green fields in affluent areas will. Will the Minister tell us by how much Charnwood council's and other councils' funding will be cut to fund this policy in years 4, 5 and 6?

Grant Shapps: I am afraid that the hon. Lady may have misunderstood the way this policy operates, despite the fact that I published it the week before last. The amount that each area gets per home is exactly the same—in fact, I have equalised it across the country—so just because council tax is higher in Kensington and Chelsea there is no question of it being any different from Charnwood or anywhere else; the funding is based on the average in each different area. In point of fact, nearly £1 billion of funding has been provided for the new homes bonus which is not top-sliced off the other sums. In later years, when the money is indeed top-sliced from the formula grant, the bonus will be a positive incentive to get on and build homes—the Labour party used to encourage that.

Local Authority Funding

14. **Heidi Alexander** (Lewisham East) (Lab): What recent assessment he has made of the likely change in the provision of services by local authorities as a result of reductions in levels of Government funding for local authorities. [42498]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): We have given councils much greater financial freedom and flexibility to manage the more than £7 billion of funding from 2011-12 which is moving into formula grant, is being un-ring-fenced or is new funding for the settlement. This will enable them better to meet local communities' needs. If councils share back-office services, join forces to get better value from their buying power, cut out excessive chief executive pay, and root out overspending and waste, they can protect key front-line services.

Heidi Alexander: I am not sure that that answer related to my question at all. Within weeks of this Government coming to power last May, Lewisham council had half a million pounds slashed from its Connexions budget and half a million pounds cut from employment and enterprise support schemes, and, as we all know, time was called on the future jobs fund. With youth unemployment nearing 1 million, what action will the Secretary of State take to ensure that local authorities can do more, not less, to help young people into work?

Mr Pickles: I have checked the question and I think that what I said answers it exactly. I must say to the hon. Lady that her local council has £58 million available to it in non-school reserves and that youth unemployment continued to rise under Labour in the good times and the bad. We have given the flexibilities I described and it is about time that ladies and gentlemen on the Benches opposite woke up and accepted their responsibility for the financial state of the nation—the hon. Member for Bishop Auckland (Helen Goodman) laughs at the idea because it is someone else's money. Labour councils are cutting back more than Conservative councils and the right hon. Member for Don Valley (Caroline Flint) has done nothing about it.

Mr Peter Bone (Wellingborough) (Con): Northamptonshire county council, East Northamptonshire district council and Wellingborough borough council have all frozen their council tax this year and they are all Conservative controlled. Is it not the case that Conservative councils cost you less and deliver more?

Mr Pickles: What a wonderful slogan. I wonder who first thought of it. *[Interruption.]* It is indeed mine and what it says has proved to be the case. There is a really strange thing about this whole process. If we match up councils authority by authority, we see that Liberal Democrat and Conservative authorities are protecting the front line, but under Labour authorities the front line is the first one to go, the voluntary sector is the first one to go and the most swingeing cuts are the first thing to happen. It is time that the right hon. Member for Don Valley accepted some responsibility for that.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Will the Secretary of State join me in congratulating the community groups, Save Levenshulme Baths and Friends of Levenshulme, on the success of their campaign, which was announced officially in Manchester town hall this morning by Councillors Amesbury and Reid? Levenshulme baths are to be rebuilt and are to reopen in two years and, in the meantime, the existing baths will stay open. Is this not a victory for community action, unlike the whingeing from the Liberal Democrats on Manchester city council?

Mr Pickles: It will certainly make a very big splash.

Annette Brooke (Mid Dorset and North Poole) (LD): When a council has made a significant cut to a front-line service, such as by withdrawing support from 20 libraries, would it be possible to require that council to publish on its website the measures that it has taken to try to protect the service? Such measures could include working with other local authorities, as the Secretary of State has suggested.

Mr Pickles: The great thing about transparency is that a number of citizens are looking at their local council and asking it questions if it is closing down swimming baths or libraries while spending on things that do not relate to front-line services. I think that transparency is a very good thing. If people are closing down valuable community assets, they should make a very strong case for doing so.

Fire Authorities

15. **Rosie Cooper** (West Lancashire) (Lab): What recent assessment he has made of the effects on fire authorities of the planned reductions in grants to local government. [42499]

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): As part of the local government settlement for 2011-12 and the provisional settlement for 2012-13, an assessment of the reduction in spending power for individual, single-purpose fire and rescue authorities was published and is available in the Library.

Rosie Cooper: Since 2004, Lancashire fire authority has successfully reduced expenditure without jeopardising public safety—incidents of arson and fire casualties have been reduced by more than a quarter. Lancashire faces cuts of 4% next year and there are fears that the back-loaded cuts at the end of the comprehensive spending review period will mean a 15% reduction. What reassurances can the Minister give to my constituents and firefighters that those latest cuts will not jeopardise or threaten their safety?

Robert Neill: Bearing in mind that the formula grant amounts to some 50% of the income of single-purpose fire and rescue authorities, which therefore have other sources of income through council tax or reserves, the reduction in spending power for Lancashire in the current year is 1%, and next year it will see an increase in spending power of 0.1%.

Andrew Percy (Brigg and Goole) (Con): It strikes me as a bit bonkers that many communities have separate fire, ambulance and police stations, many of which have been built recently. What is the Minister doing to encourage emergency services to work together to cut costs and to get rid of three lots of electricity bills and the such like? Also, what is he doing to ensure that they work together so that when one service is pressed, another can help and support it?

Robert Neill: In fairness, a good deal of work is already being done at local level on closer collaboration and joint working between fire authorities and other emergency services, and I commend that. At the time of the settlement, I wrote to the chairmen of all fire and rescue authorities and their chief officers to set out the way in which closer joint working, collaboration, better procurement and the stripping out of back-office services could save money that could be made available to the front line.

Chris Williamson (Derby North) (Lab): The Minister knows that I have surveyed every fire and rescue service in the country about the impact of this year's financial settlement. Fire chiefs have told me that his cuts to their budgets will result in fire stations being closed, fire appliances being taken out of service and more than 1,000 firefighters losing their jobs in the next 12 months alone. Is he confident that his cuts will not compromise public safety? Will he accept that the feedback from fire chiefs proves that he has singularly failed to deliver on his commitment to give some protection to fire and rescue services? Will he come clean and admit that his cuts—

Mr Speaker: Order. Three questions is too many; the hon. Gentleman must resume his seat.

Robert Neill: I do not accept the hon. Gentleman's proposition at all. The fire service is protected because its reduction in spending power is 2.2% in the current year and 0.5% in the next year. I have pointed out exactly the measures that many local authorities are taking to save money in the back office and to concentrate on the front line, and I hope that he will encourage authorities to do the same and that he will not engage in scaremongering.

Planning Law Reform

16. **Stephen Phillips** (Sleaford and North Hykeham) (Con): What plans he has to take into account work completed on existing local development frameworks in his proposals for the reform of planning law. [42500]

The Minister of State, Department for Communities and Local Government (Greg Clark): Work that has been completed by councils on their development plans remains valid, provided it is based on up-to-date evidence. The reforms set out in the Localism Bill do not contain any measures that will invalidate work on existing plans, but we have included changes to make the process easier and more flexible.

Stephen Phillips: I am grateful to my right hon. Friend for that answer. I recently had the good fortune to attend a village meeting in Caythorpe in my constituency, where local people were concerned that their views should be listened to, as they were not listened to in the context of planning under the previous Government. What assurances can he give me that the views of local people, particularly in rural communities, will for the first time be listened to when it comes to planning?

Greg Clark: I am grateful for my hon. and learned Friend's question. He will know that the Localism Bill will give communities the right to be heard and to set out a vision for their community in future. They have not had that before and when the Bill gets Royal Assent, they will have it for ever.

Transparency in Local Government

17. **Alun Cairns** (Vale of Glamorgan) (Con): What steps he is taking to increase transparency in local government. [42501]

The Secretary of State for Communities and Local Government (Mr Eric Pickles): I want transparency to underpin everything that councils do. All council business should be open to public scrutiny—whether it is expenditure, senior pay, council expenses or voluntary sector funding.

I am consulting on a code of recommended practice to enshrine the principles of data transparency and to set out the minimum data that should be published.

Alun Cairns: Will the Secretary of State join me in congratulating and recognising the Vale of Glamorgan council, which is one of two authorities in Wales that have chosen to publish all invoices in excess of £500? The other authority is another Conservative-led council, Newport city council. What influence can my right hon. Friend bring to bear on the Welsh Local Government Minister to force Labour-run and independent-run authorities across Wales to follow their lead and do the same?

Mr Pickles: I am sure my hon. Friend has done more than enough to demonstrate to the people of Wales the desirability of transparency. It is gratifying that every local authority, with the exception of Labour-controlled Nottingham, now trusts the local population with that vital information.

Topical Questions

T1. [42510] **Zac Goldsmith** (Richmond Park) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Communities and Local Government (Mr Eric Pickles): First, I commend the work of my officials, led by the chief fire and rescue adviser, who have been working closely with the West Midlands fire and rescue service which is leading the co-ordination, search and rescue efforts following the earthquake in Christchurch. Our thoughts are with the people of New Zealand at this difficult time.

Increased transparency and accountability have been the key tasks of Ministers in recent weeks. We have introduced honesty into the rough sleeper counts. New counting methods reveal that rough sleeping was four times higher than Labour Ministers admitted, with councils such as Labour-run Manchester refusing to report any figures. The plight of the vulnerable will no longer be ignored by the Government. We are also giving local citizens the right to report their local council chamber by blogging, tweeting and online filming. This builds on Margaret Thatcher's private Member's Bill in 1960 and the right granted in a local government Act in 1908. It is Liberal Democrat and Conservative local government that is championing openness in government.

Zac Goldsmith: I welcome the principle behind the new homes bonus, but if the level is set too high or if local authorities become too dependent on it, could it not become a perverse incentive for overdevelopment?

The Minister for Housing and Local Government (Grant Shapps): My hon. Friend is pushing at an interesting point. It will be for democracy at a local level to decide what happens. His constituents can rely on him and their own wherewithal to decide to vote for the party that will provide the right level of housing rather than overdevelopment.

T3. [42512] **Helen Goodman** (Bishop Auckland) (Lab): Earlier this morning we heard that HSBC is paying its top banker £5 million. By chance, that is exactly the amount of money needed in my constituency to complete the Decent Homes programme. Will the Minister for Housing meet me to discuss how we might make that happen, so that 1,000 people can live in decent homes?

Grant Shapps: Just before the recess I announced a series of spending pledges for the Decent Homes standard which added up to £2.1 billion. I am happy to meet the hon. Lady to discuss how best to take the project forward in her constituency.

T2. [42511] **Sheryll Murray** (South East Cornwall) (Con): Does my right hon. Friend agree that in a diverse area such as South East Cornwall where we have everything from vibrant seasonal coastal car parks, to town centres that need the support of low car parking charges, to small villages that were built before the car and where residents rely on community car parks to park their vehicles, that community ownership and management is better than a holistic one-size-fits-all charging system imposed by a council and covering the whole county?

Mr Pickles: In a place as diverse as Cornwall we look for a variety of ways in which council and other car parks are charged. We have removed much of the pressure on local authorities to increase the charges. That is something that the previous Government were keen on, as a way of using the motorist as a cash machine. Local charging best takes account of local conditions.

John Mann (Bassetlaw) (Lab): On the Localism Bill, 12,000 people in my constituency supported a 1,000-job development, and there was one objector. Guess who the Secretary of State backed. Whatever happened to localism?

The Minister of State, Department for Communities and Local Government (Greg Clark): Under the Localism Bill, local people will have the right to prevail in future. Once the Bill has received Royal Assent, every community will have the right to a local plan that will then govern decisions made in future.

T5. [42514] **Mel Stride** (Central Devon) (Con): Conservative-controlled Devon county council has reduced chief executive pay and slimmed down middle and senior management, and it will reduce back-office expenditure by £14 million in 2011-12. Will my right hon. Friend join me in commending its efficiency savings? Does he agree that responsible councils should take such actions in order to protect front-line services?

Mr Pickles: I certainly join my hon. Friend in congratulating that council. He lays out a valuable lesson. One thing we are discovering in those authorities that are cutting libraries, Sure Start and all front-line services is that none of them has attempted any of the things that his local council has so excellently done.

T6. [42515] **John Woodcock** (Barrow and Furness) (Lab/Co-op): The severe cuts to the road maintenance budget have led councils throughout the country to warn that in the years ahead they face a pothole nightmare, notwithstanding the announcement of an emergency £100 million, which the harsh winter has made necessary. Does the right hon. Gentleman recognise that those councils have a case, or does he think that they should stop "bleating" for more money, as the Under-Secretary of State for Transport, the hon. Member for Lewes (Norman Baker) disgracefully said at the weekend?

Mr Pickles: The hon. Gentleman has to understand that we are in this position because of the way in which the Labour party left our national finances. The Labour party is apparently happy for us to continue to pay vast sums of money to foreign bankers by way of interest, but we have simply arrived at the point where the country is boracic, and that is a direct consequence of Opposition ladies and gentlemen's neglect of the economy.

T7. [42516] **Mike Freer** (Finchley and Golders Green) (Con): In my constituency I have Brent Cross Cricklewood, the largest regeneration scheme outside of the Olympic park. Can the Minister confirm that, when council tenants or arm's length management organisation tenants move into regeneration projects, their tenancies will continue unbroken?

Grant Shapps: Yes, my hon. Friend is absolutely right: there is no chance of, or way in which, a social tenancy can be broken or changed for anybody already in council or housing association homes.

T9. [42518] **Stephen Timms** (East Ham) (Lab): Once the financial year has started, will the Secretary of State give us a report on the reduction in local authority employment over the past year?

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): I have already indicated to the right hon. Gentleman that it is for local authorities to decide how best they configure their work force. Let us see what eventually happens. It is important to remember that some of the figures that have been quoted do not bear in mind the fact that the HR1 forms, which are necessary for the purposes of consultation, do not result in job losses. Furthermore, job reconfiguration takes place by many other means that do not result in the figures suggested.

Mr Speaker: Order. I am greatly obliged to the Minister.

T8. [42517] **Stuart Andrew** (Pudsey) (Con): I welcome the scrapping of the previous Government's top-down housing targets, which caused so much inappropriate development, particularly in my constituency. As the Localism Bill goes through Parliament, however, some developers are land-banking brownfield sites so that they can gain planning permission successfully at appeal on greenfield sites. What are the Government doing to protect such sites in this interim period? Will they consider re-introducing the sequential approach to planning?

Robert Neill: My hon. Friend is right. The mixture of top-down regional targets, together with the removal of a specific reference to a sequential test in planning policy statement 3, did put pressure on greenfield sites. The Government have already changed the definition of brownfield sites to exclude gardens, and in the Localism Bill we have introduced proposals to abolish top-down targets from the regional strategies. The fact that that Bill is making progress through the Commons is a material consideration for developers to bear in mind.

Mr Speaker: Order. I am very grateful to the Minister.

Mrs Mary Glindon (North Tyneside) (Lab): Does the Minister think that having to make a total of £185,000 in cuts to the voluntary sector and £106,000 in cuts to various youth services, as well as having to lose up to 170 posts by March, all because of Government-imposed efficiencies of £15.9 million, are more likely to change and, in fact, reduce the provision of services by North Tyneside council?

Greg Clark: I am grateful for the hon. Lady's question. I hope that she recognises that different councils are doing things in different ways. With a maximum cut of 8.8%, there is no reason for any council disproportionately to cut the voluntary sector. I hope that she will look at the examples of positive councils such as Reading, Thurrock, Lancaster, Ipswich, Watford, Stafford, Rugby, Redditch, Crawley and Wolverhampton—10 councils that are either maintaining or increasing their support to the voluntary sector at this time. She should look at them, and go back to her constituency and talk to her councillors.

Chris Skidmore (Kingswood) (Con): I recently submitted to the House a petition of more than 2,500 constituents calling on the Government to help to protect the local Kingswood green belt, which is still being threatened by the previous Government's disastrous regional spatial strategy. What reassurance can the Minister give to my constituents, who are rightly concerned and wish to protect our local green belt?

Robert Neill: I warmly commend my hon. Friend for that petition and the work that he has done to protect the green belt in his constituency. As I said in response to earlier questions, the Government propose to remove the top-down pressure of the regional spatial strategies and will maintain statutory green belt protection. Such decisions should be taken by local people to reflect the local needs of their communities.

Lilian Greenwood (Nottingham South) (Lab): Today, a bus full of Nottingham people has travelled down to Westminster to highlight the devastating impact that cuts to local authority funding will have on them, their families, their communities and our city. Will the Minister or a member of his team come and meet them in Committee Room 5 after questions to explain how it is fair that a city such as ours with a high level of need is suffering some of the largest reductions in funding?

Mr Pickles: No doubt it is essential for the people of Nottingham to get into a coach and travel all this way down here, because Nottingham councillors are so frightened of transparency and the truth that they have refused to publish on their website items costing over £500. It is the only council in the country to treat its electorate with such contempt.

Rory Stewart (Penrith and The Border) (Con): In Cumbria and elsewhere, local charities are finding it very difficult to compete with big national charities for council contracts. What steps will the Minister take to allow local charities, which know more and can often do more, to compete fairly?

Greg Clark: My hon. Friend is absolutely right. He is a great champion of the local voluntary sector. He will know that the Localism Bill will establish a right to challenge, which I expect to be taken up especially by local community and voluntary groups to enable them to do what they do best, which is to know their local community and provide a better way of doing things than what has been required so far.

Mr Iain Wright (Hartlepool) (Lab): The Secretary of State will be aware that as a result of his policies and funding settlement, Hartlepool borough council is cutting much-needed local services and making 89 people redundant, but its chief executive has taken an £11,000 increase in his salary, making his pay £168,000. I have written to the chief executive asking him, in the current climate, to waive that salary increase in back pay, but I have received an unrepentant and defiant response from him saying that

"mob rule seems to have been the order of the day".

What can the Secretary of State do to curb such an arrogant sense of entitlement from some senior executives in local government with regard to pay?

Robert Neill: As I was quoted in the hon. Gentleman's paper as well, he and I clearly make a fairly large mob. In the Localism Bill, we are proposing to require local authorities to set out a senior pay policy statement that will have to be debated and approved by the full council meeting so that every individual member of the authority must tell the public what their policy is on how much people are going to be paid, and why, and must put their names to it and then be accountable for it.

David Tredinnick (Bosworth) (Con): My constituents around Burbage and Hinckley have serious concerns about planning applications that have gone to appeal regarding green wedges around the towns. What reassurances can my hon. Friend give me that the Localism Bill will help to protect green wedges?

Robert Neill: This is yet another instance in which the pressures of the top-down regional spatial strategies have threatened green areas, be they green belt or green wedge, as it is sometimes called around towns. The removal of those top-down targets through the Localism Bill and the abolition of the regional spatial strategies will place back in the hands of local, democratically accountable authorities the power to decide the spatial future of their areas.

John Cryer (Leyton and Wanstead) (Lab): What discussions has the Secretary of State had with the chairman of the London fire authority about the 27 missing fire pumps, which the chairman nicked from across Greater London? Will the Secretary of State explain to him that he is putting lives in danger by stealing fire pumps, and tell him to return them straight away?

Robert Neill: The hon. Gentleman knows about these matters and therefore really should know better. The 27 pumps were kept by the fire authority as part of a contingency reserve at the time of industrial action by the London fire brigade. I am glad that that action has now been settled.

Amber Rudd (Hastings and Rye) (Con): Will the Secretary of State join me in congratulating Conservative-run East Sussex county council, which, after a disappointing grant from the Department for Education, has stepped in with £12 million of capital that it had not planned to give to ensure that the St Leonards academy is rebuilt to provide better education in Hastings?

Mr Pickles: I am always glad to congratulate my hon. Friend's council and have no hesitation in doing so today.

Bob Blackman (Harrow East) (Con): Will my right hon. Friend join me in condemning Labour-run Brent council, which at tonight's budget meeting proposes to close six libraries and all its day care centres, introduce fortnightly refuse collections, and hammer street cleansing and the voluntary sector, while taking the £2.5 million grant that was meant to freeze council tax and applying it to balances?

Mr Pickles: What a tragic council that is. All it needs to do is take a short ride on the tube to see adjoining authorities in London that are protecting libraries, expanding their services and protecting the front line. No doubt it will get its come-uppance.

Mr David Lammy (Tottenham) (Lab): As the Secretary of State grows in stature and size, so does unemployment in my constituency. With Haringey council's announcement of 1,000 job losses, what does he say to the constituency with the highest unemployment in London?

Mr Pickles: The right hon. Gentleman looks as though he is no stranger to a mixed grill himself. We continue to ensure that local authorities, including his local authority, have a transitional grant and do not face a reduction greater than 8.8%.

Libya and the Middle East

3.32 pm

The Prime Minister (Mr David Cameron): I would like to update the House on the evacuation of British nationals from Libya, the actions we are pursuing against Colonel Gaddafi and his Administration, and developments in the wider region.

On evacuation, we have been working intensively to get our people out. As of now, we have successfully removed about 600 British nationals from Libya. The evacuation has centred on three locations: Tripoli airport, the port at Benghazi and the desert oilfields. At Tripoli airport, a series of six aircraft organised by the Foreign Office and an RAF C-130 Hercules flight have brought out more than 380 British nationals and a similar number of foreign citizens. At Benghazi, HMS Cumberland has carried out two evacuations from the port, bringing out 119 British nationals and 303 foreign citizens from more than 30 countries. The first of those evacuations took place in difficult sea conditions, and the second arrived in Malta earlier today. The evacuations were assisted on the ground by five rapid deployment teams. In total, nearly 30 extra staff from the Foreign Office helped to marshal British citizens in the midst of chaotic scenes in and around the airports and ports.

Clearly, the most challenging part of the evacuation has involved those British nationals scattered across more than 20 locations in the oilfields deep in the desert. On Friday evening, I authorised a military operation to bring as many of them as possible out of the desert. On Saturday, two RAF C-130 aircraft flew into the eastern desert and picked up 74 British nationals and 102 foreign nationals at three different locations. A second mission took place yesterday, bringing out a further 21 British nationals and 168 foreign nationals. One of the aircraft involved in the second mission suffered minor damage from small arms fire. That underlines the challenging environment in which the aircraft were operating.

Britain has now taken a leading role in co-ordinating the international evacuation effort. Our airborne warning and control system aircraft are directing international aircraft that are involved. Brigadier Bashall, who is commanding the UK operation, has established a temporary joint headquarters in Malta to help to co-ordinate the efforts of many countries. I have thanked the Maltese Prime Minister personally on behalf of the country. Not for the first time in our history, we should pay tribute to Malta and her people for the role that they are playing.

The number of British citizens remaining in Libya is of course difficult to ascertain precisely, given the situation on the ground. Many of them will be dual nationals, and not all of them will want to leave. I asked for urgent work to be done on accurate numbers in both categories—those who wish to leave and those who currently do not. Our current indications are that, as of today, there are fewer than 150 British citizens remaining in Libya, of whom only a very small proportion wish to leave. Clearly, that can change at any time, and we will keep the House regularly updated.

We will continue to do all we can to ensure that those who wish to leave can do so. HMS Cumberland will remain in the area, together with HMS York, which also stands ready off Tripoli to assist. We also have military aircraft, including C-130s and a BAe 146, in Malta ready to fly in at very short notice.

The Government will continue to focus on ensuring that our citizens are safe. Cobra has met regularly to co-ordinate the effort, and I personally chaired three meetings over the weekend. The National Security Council is looking at the overall strategic picture, and it met last Friday and again today, not least to look at other risks to British citizens in countries in the wider region. As I said last week, there will be lessons that we will wish to learn from this evacuation, including in respect of the hiring of charter aircraft, the use of defence assets and the need for greater redundancy.

Clearly, an important decision was when to extract our embassy. That decision was taken at the Cobra meeting on Friday and carried out on Saturday, after the remaining civilians had been extracted from Tripoli airport and in parallel with the start of the desert operations, which were of course planned from Malta. Our judgment throughout has been that the risk to British citizens, including our embassy, has been growing, and the Americans, French and Germans have similarly suspended the operations of their embassies. Britain retains a consul in Tripoli and a consular warden in Benghazi, and we have arranged that Turkey, which still has several thousand of its own citizens in Libya, will look after British interests while our embassy's operations remain suspended.

I am sure the whole House will want to put on record its thanks to all those who have made the rescue effort possible—to the RAF pilots, the Royal Navy crews and all those involved from all three armed services for their skill; to our diplomatic service; and to all those who put themselves in harm's way to help our people leave safely.

I turn to the pressure that we are now putting on Gaddafi's regime. We should be clear that for the future of Libya and its people, Colonel Gaddafi's regime must end and he must leave. To that end, we are taking every possible step to isolate the Gaddafi regime, to deprive it of money, to shrink its power and to ensure that anyone responsible for abuses in Libya will be held to account. With respect to all those actions, Britain is taking a lead.

Over the weekend, we secured agreement for a UN Security Council resolution that we had drafted, which is unusually strong, unanimous and includes all our proposals. It condemns Gaddafi's actions and imposes a travel ban and asset freeze on those at the top of his murderous regime. It demands an immediate end to the violence and the killing of protesters, access for international human rights monitors, the lifting of restrictions on the internet and media and an end to the intimidation and detention of journalists. It also refers Libya's current leaders to the International Criminal Court to face the justice they deserve. We were also the driving force behind a special session of the UN Human Rights Council on Friday, which started work to eject Libya from the council, and the Foreign Secretary is in Geneva today, along with US Secretary of State Hillary Clinton, to see that work through.

With our European partners, we have today secured agreement on freezing the assets of a wider group of individuals and banning them from entering the European Union, and on imposing a wider arms embargo on the Libyan regime. Britain is also leading in implementing those direct measures against the regime. A special

Privy Council session was held yesterday, as a result of which we have frozen the assets of Gaddafi, five of his family members, people acting for them or on their behalf, and entities that are owned or controlled by them. The Treasury has stepped in to block a shipment of some £900 million of banknotes destined for Libya. The Government have revoked Colonel Gaddafi's immunity as Head of State, so neither he nor his family may enter the UK. We have also revoked the visas of a number of Libyans linked to the regime, who are now on immigration watch lists.

We will look at each and every way of stepping up pressure on this regime, such as further isolation by expelling it from international organisations and further use of asset freezes and travel bans, to give the clearest possible message to those on the fringes of the regime that now is the time to desert it.

In addition, we do not in any way rule out the use of military assets. We must not tolerate this regime using military force against its own people. In that context, I have asked the Ministry of Defence and the Chief of the Defence Staff to work with our allies on plans for a military no-fly zone. It is clear that this is an illegitimate regime that has lost the consent of its people, and our message to Colonel Gaddafi is simple: go now.

Everyone hopes that the situation will be resolved quickly, but there is a real danger now of a humanitarian crisis inside Libya. We have dispatched technical Department for International Development teams to be in place at both the Tunisian and Egyptian borders. Currently, the most pressing need is to assist the large numbers of migrant workers into Egypt and Tunisia to get them home. The International Development Secretary will visit the region later this week to assess the situation on the ground for himself, but in the meantime Britain will fly in tents and blankets from our stocks in Dubai for use at the Tunisian border.

North Africa and the wider middle east are now at the epicentre of momentous events. History is sweeping through this region. Yes, we must deal with the immediate consequences, especially for British citizens caught up in these developments, but we must also be clear about what these developments mean and how Britain and the west in general should respond.

In many parts of the Arab world, hopes and aspirations that have been smothered for decades are stirring. People—especially young people—are seeking their rights, and in the vast majority of cases they are doing so peacefully and bravely. The parallels with what happened in Europe in 1989 are not, of course, precise, and there have been many disappointments in the past, but those of us who believe in democracy and open society should be clear that this is a precious moment of opportunity.

While it is not for us to dictate how each country should meet the aspirations of its people, we must not remain silent in our belief that freedom and the rule of law are what best guarantee human progress and economic success. Freedom of expression, a free press, freedom of assembly and the right to demonstrate peacefully are basic rights—they are as much the rights of people in Tahrir square as they are of people in Trafalgar square. They are not British or western values, but the values of human beings everywhere.

We therefore need to take this opportunity to look again at our entire relationship with this region—at the billions of euros of EU funds, at our trade relationships, and at our cultural ties. We need to be much clearer and tougher in linking our development assistance to real progress in promoting more open and plural societies, and we need to dispense once and for all with the outdated notion that democracy has no place in the Arab world. Too often in the past, we have made a false choice between so-called stability on the one hand and reform and openness on the other. As recent events have confirmed, denying people their basic rights does not preserve stability, rather the reverse.

We should be clear too that now is not the time to park the middle east peace process—quite the opposite. In short, reform, not repression, is the way to lasting stability. No one pretends that democracy and open societies can be built overnight. Democracy is the work of patient craftsmanship, and it takes time, as we know from our own history, to put its building blocks in place. However, what is happening in the wider middle east is one of those once-in-a-generation opportunities—a moment when history turns a page. The next page may not be written, and it falls to us to seize this chance to fashion a better future for the region, to build a better relationship between our peoples, and to make a new start.

As the inspiring opposition leaders whom I met in Tahrir square said to me last week, we now have the opportunity of achieving freedoms that people in Britain take for granted. I am determined that we should not let them down, and I commend this statement to the House.

Edward Miliband (Doncaster North) (Lab): May I thank the Prime Minister for his statement? I should like to ask him about the four areas he covered—the immediate safety of British nationals, the future of the Libyan regime and the wider middle east, and the lessons learned from this crisis—but may I first join him in expressing deep and abiding gratitude to members of the British armed forces, who have succeeded with such extraordinary courage and professionalism in evacuating so many of our citizens and those of many other countries from Libya over the last week? Those brave men and women are a credit to our nation. May I also add my thanks to the Foreign Office staff on the ground in Libya for their efforts?

As the Prime Minister said, our first concern must always be the safety of our own people. For obvious operational and security reasons, I would not expect the Prime Minister to discuss future operations, but will he reassure the House that all contingencies continue to be looked at in relation to any remaining UK citizens stranded in Libya? Given the closure of the British embassy on Saturday—I understand the reasons for that—will he assure us that everything continues to be done to keep in close contact with those citizens who remain, and tell us what means of communication are available to them?

On the question of Libya's political future, I think that the whole House will endorse the Prime Minister's view that the only acceptable future is one without Colonel Gaddafi and his regime. We welcome what the Prime Minister said about a possible no-fly zone. We also welcome the international isolation of Libya expressed in UN Security Council resolution 1970, including sanctions and an arms embargo, and the decision to refer the killing of protesters to the International Criminal Court.

[Edward Miliband]

The resolution imposes travel bans on 17 Gaddafi loyalists and asset freezes on a number of other individuals. Will the Prime Minister tell the House whether he thinks that those asset freezes go wide enough and cover all those beyond Colonel Gaddafi's immediate family who have decided to stand with him? Will the Prime Minister reassure the House that the Government will make full use of the provision in paragraph 23 of the resolution to nominate additional regime members who should be targeted by travel bans and asset freezes? On the human rights situation, there is clearly a growing humanitarian crisis on the Tunisian border and I welcome the steps that will be taken, which the Prime Minister talked about.

Let me turn to events beyond Libya, in the wider region. The events unfolding across the middle east—the Prime Minister reflected this in his statement—are as significant as the revolutions that liberated eastern Europe in 1989. As he says, our response to them needs to be equally ambitious. There is a popular will in many of those countries for democratic reform, and that movement is in line with the values that we share.

Does the Prime Minister agree that the way to approach this situation is to build a strategic response, including closer economic ties, support for civil society and institution-building in those countries? Will he concede that, although there is much that we can and should do bilaterally, real progress will require sustained will and effort at a multilateral level, including at the level of the European Union? May I also share the sentiment that he expressed that it will be a tragedy if, in this moment of change, the opportunity were not grasped to make progress on the Israel-Palestine issue? May I therefore support his calls for the rapid resumption of talks between Israel and the Palestinians and his decision to support the recent UN Security Council resolution on settlements? What steps will the UK take to get negotiations moving again?

Will the Prime Minister confirm that the Government will work with EU partners to strengthen both the guidelines and the operation of the rules on arms sales?

May I ask about the lessons to be learned from the immediate crisis response last week? Many hon. Members on both sides of the House have in recent days been dealing with constituents who are deeply anxious about family members stranded in Libya. Does the Prime Minister accept that the Foreign Office should have done more, as other countries did, to ensure that planes were on the ground in Libya on Tuesday, rather than late on Wednesday night, to evacuate our citizens? Will he explain why that was not the case? Given the scale of the emergency and the transparent need for co-ordination across Government, does the Prime Minister now agree that the emergency committee, Cobra, should have been convened earlier than Thursday? Again, will he explain why that did not happen?

Will the Prime Minister share with the House the wider lessons that he personally learned about the running of his Government? I think that the whole country has now, thankfully, seen the scale of response that can be mobilised to help our citizens, but will he promise that British nationals abroad will not be let down in future, as they were by the chaos and incompetence that we saw last week? I am surprised that he has not taken the opportunity of his statement to apologise to the House for the handling of the crisis last week. I hope that, in his reply, he will take the opportunity to do so.

When the inquiry is completed, will the Prime Minister promise that there will be an oral statement to report its findings to the House, along with the conclusions on the lessons that need to be learned?

The Prime Minister: I thank the right hon. Gentleman for his praise of our armed forces. They have done a magnificent job, as they always do. As he says, we should also thank the Foreign Office staff and those in the Foreign Office crisis centre, which I visited, which is manning the phones round the clock and doing an extremely difficult job.

On future operations, it is difficult to say much more in the House, but obviously I have given the new figures on the number of British citizens we believe are still in Libya and the number who want to leave. It is a very small number at the moment who still want to leave. Obviously, that can change and, as I explained, we have the assets in place to help where appropriate.

In terms of what replaces our embassy, as I explained, we are going to have a consul in Tripoli, but we will be working with the Turkish Government, who still have thousands of nationals in-country, and I have spoken to the Turkish Prime Minister as well as to many other people.

The right hon. Gentleman asked whether the travel bans and the asset freezes go wide enough, which is a very important point. Right now, what we want to do is isolate and target the key members of the Libyan regime, with a clear warning that those close to the regime have a choice—they can desert it or leave it, but if they stay with it there is a chance that they will be hit by travel bans and asset freezes, too. That is all part of turning up the pressure.

As for the wider region, I agree with the right hon. Gentleman about institution-building and, indeed, making sure that the European Union sharpens its act on its neighbourhood policy. I think that there is room, yes, for multilateral action, but I hope that in this country we can do more in terms of political relations and on building party-to-party relations to try to help to build up the building blocks of democracy in those countries.

I agree with the right hon. Gentleman about Israel-Palestine. I am proud of the fact that we backed the Security Council resolution. That was the right decision, although it meant a disagreement with our oldest and strongest ally, the United States. On arms sales, I agree that the guidelines need to be clear and need to be adhered to.

Finally, the right hon. Gentleman asked some questions about lessons to be learned. As I said, I think that there are lessons to learn. What worked in Egypt—a combination of scheduled and charter flights—did not work as well in Libya. Lessons need to be learned, including about the use of military assets, but I would make the point that it is not as easy as some people say. The more you rely on charters earlier, the more the scheduled airlines collapse, and you can leave yourself with a bigger problem.

The right hon. Gentleman asked about learning lessons in the wider running of government. Of course, there are always lessons to learn, and perhaps, if apologies are in order, he should think about one for the appalling dodgy dealing with Libya under the last Government.

Richard Ottaway (Croydon South) (Con): I agree with the Prime Minister that, in view of the complete chaos that has engulfed Libya, there is a real opportunity, together with our European partners, to expedite the downfall of the present regime and create a post-Gaddafi structure in the vacuum. However, does he agree that, given Libya's appalling record on human rights, it was a complete misjudgment to enter into a defence co-operation agreement with it?

The Prime Minister: I do think that there are lessons to learn from the deal in the desert. The previous Government were correct to encourage the giving up of weapons of mass destruction, but more parameters should have been put on the relationship, particularly—I have made the point before—regarding the release of al-Megrahi. It should not have been the British Government's position to try to facilitate that. Lessons need to be learned more broadly about that, and I am sure that there will be an opportunity to do so.

Mr Jack Straw (Blackburn) (Lab): I echo the commendations of our forces and diplomatic and other staff who have worked hard to provide an adequate service for British citizens and others stranded in Libya. I commend the other actions that the Government are now taking, but may I ask the Prime Minister to expand on the point he made in his statement about what he described as greater redundancy for responding to future crises, by which I assume he meant greater resilience and greater resources. Does he accept that cutting Foreign Office staff by 450 to save £30 million at a time when its budgets are flat cannot do other than significantly undermine its ability to respond adequately and promptly when the next crisis occurs?

The Prime Minister: I obviously listen to the right hon. Gentleman, given his experience. The cuts to the Foreign Office are much less severe than cuts to other Departments, so I do not think that that has had a material impact. As for the issue of redundancy, clearly in the case of Egypt, the combination of scheduled flights and adding in charter flights meant that we led the pack in getting people out. In Libya, the situation was different and more difficult, and we need to learn the lessons about what extra capacity we need to put in place. As I have said, it is not as simple as some people think, because if capacity is added too quickly, scheduled flights collapse—bmi and BA both fly to Libya—and you land yourself with a bigger problem. The lessons should be learned. The only point that I would make now is that, as we stand today, Britain is doing a huge amount to help other countries out of Libya, and is helping more than 32 nationalities.

Mr Edward Leigh (Gainsborough) (Con): It is strange, is it not, that when we have a defence review, we are told that we are no longer a world power and do not need the Royal Navy, yet as we saw last week we need one more than ever? How ironic it was that the only ship that we could find to send was one on the way to the scrapyard. Will my right hon. Friend assure the House that as long as he is on the bridge of state, there will be no further cuts in the Royal Navy?

The Prime Minister: We are exceptionally well served by our Royal Navy, and it is good that not only HMS Cumberland but HMS York have been on hand to help in Libya. We are making a reduction in the number of frigates, but we do have the Type 45s coming onstream. In all cases, however, a mixture of military and civilian assets needs to be brought to bear to ensure that we can get people out of countries such as Libya.

David Miliband (South Shields) (Lab): The Prime Minister has my strong support for the vote that his Government cast at the UN Security Council on 17 February. The previous Government cast a similar vote in January 2009 with cross-party support. However, does he agree that the lessons of the past decade are that the Israelis and Palestinians will not of their own volition negotiate a solution between themselves, that the international community needs to force the pace on the terms and timing of a resolution to that terrible dispute, and that that needs to be led from the UN Security Council?

The Prime Minister: I agree with the right hon. Gentleman, and it is good to see him in his place. I am trying to ensure that there is a real combination effort between Britain, France, Germany and the United States to try to provide that backing. The only problem is—he will be aware of this—that it is difficult for us to want a solution more than the parties want one. However, we should apply all the available pressure we can, and we should be making the argument right now that the awakening of democracy in the middle east is not a threat to the peace process, but could be an opportunity.

Mr James Arbuthnot (North East Hampshire) (Con): President Mahmoud Abbas has called for elections to the Palestinian Authority. Does my right hon. Friend share my concern that Hamas, whose electoral mandate has expired, is refusing to allow such elections to take place in Gaza?

The Prime Minister: My right hon. Friend makes a good point. The key thing in our engagement should be to ask those on the Palestinian side to accept the key principles of recognising the state of Israel and former agreements. Then it will be possible to go forward and hold proper negotiations. However, we need that to happen in order to get both parties around the table properly and to hammer out the solution that I think everybody knows is there.

Mr Ben Bradshaw (Exeter) (Lab): In his conversations with President Obama, has the Prime Minister emphasised the urgency of the situation and the opportunity that events in the middle east provide to make progress on Israel-Palestine, and has he also expressed disappointment at the American veto of the resolution?

The Prime Minister: I have had very frank conversations with President Obama about this. I believe in the special relationship—it is an incredibly close and important relationship—but I also believe that when we disagree, we should be frank in saying so, and on this issue Britain and America do not agree. We think that the resolution, although not ideally drafted, was basically right, which is why we voted for it, and we are very disappointed that it was vetoed. Obviously, we have to

[The Prime Minister]

persuade the Americans that further investment in the peace process is absolutely worth it, not just for its own sake, but for the wider peace of the region and to remove a great cause of instability and extremism in our world.

Mr John Baron (Basildon and Billericay) (Con): The Government have been absolutely right to support the forces of democratic change, but, further to his statement, does my right hon. Friend think that this support will have any effect on future relationships with our other autocratic friends in the region?

The Prime Minister: As I hope my hon. Friend will have noticed, I have just completed a trip to the Gulf region, and I was quite struck by the fact that a number of our very strong and old allies, such as Kuwait, Qatar and Oman, are in favour of taking further steps towards democracy and more open societies. Far from being dismayed by our very clear reaction that democracy, freedom and that sort of progress are good things, they were fully in support of them.

Mike Gapes (Ilford South) (Lab/Co-op): When he was in Kuwait, as well as promoting arms sales and exports, did the Prime Minister have an opportunity to discuss with John Major, the former Prime Minister, the fact that 20 years ago, a no-fly zone was imposed without a Security Council resolution? Is it not time that the European Union NATO members worked more urgently to ensure that Gaddafi's regime cannot use helicopters and aircraft to crush resistance to him?

The Prime Minister: I agree with the hon. Gentleman. It was a pleasure being in Kuwait with Sir John Major, because it was an opportunity to commemorate the action that he led, as Prime Minister, in liberating that country from Saddam Hussein. To those who question whether it is right to take defence companies on a visit to Kuwait, I would say that 20 years ago we risked the lives of our service personnel to free that country. It seems to me an odd argument, therefore, to say that Kuwait should not have the means of its own defence. On a no-fly zone, of course we must comply with international law, but my argument is that we need to do the preparation and planning now, because no one can be sure what Colonel Gaddafi will do to his own people. If he starts taking that sort of action, we might need to have a no-fly zone in place very quickly.

Jo Swinson (East Dunbartonshire) (LD): The Prime Minister is right to praise the bravery of UK forces and staff in evacuating UK citizens. However, many international companies have lucrative business operations in Libya, working in high-risk environments such as desert oilfields in a country with an oppressive regime. Is he satisfied that those companies have adequate emergency evacuation plans in place, or does business also need to learn some lessons about the safeguarding of employees?

The Prime Minister: The hon. Lady makes an extremely good point. We should be having this conversation with oil companies. Yes, of course, they have security and transport arrangements, and it is important to work with them when we are trying to get our people out, to ensure that they are playing their part in delivering that. I am sure that there are lessons to learn, and there is probably more that they could have done, rather than being quite so reliant on us.

Tony Lloyd (Manchester Central) (Lab): May I tell the Prime Minister what a great pleasure it is to see him in his place today, because I have spent the past week trying to speak to a Foreign Office Minister with no success? On the substantive issue of Libya, the fact that the International Criminal Court has been invoked has been a welcome development, but will the right hon. Gentleman make it quite clear from the Dispatch Box that this will apply not only to Colonel Gaddafi and his immediate family but to anyone in Libya who chooses to side with his regime in any future atrocities?

The Prime Minister: The hon. Gentleman makes an extremely good point. The reach of the International Criminal Court and of international law applies not only to people in the Gaddafi regime and those in the armed forces who commit atrocities but to any mercenary who goes to Libya and takes part in those activities. As I have said, the reach of international law is very long, and its memory is also very long, and quite right too.

Mr Tobias Ellwood (Bournemouth East) (Con): The Prime Minister has described a very fluid series of events. If we step back from them, we can see that this is a once-in-a-lifetime opportunity to encourage democracy to spread across the middle east. He gave a robust message to Colonel Gaddafi. Does he have an equally robust message for the other dictators in Africa who have chosen not to support democracy but to send mercenaries to support Colonel Gaddafi's dictatorship?

The Prime Minister: My hon. Friend makes a good point. This is a test for everyone. It is a test for NATO, for the European Union, for the Arab League and, yes, for the African Union as well. The Arab League has, commendably, suspended Libya's membership, and we should be looking to the African Union to take robust action as well. My hon. Friend's point about mercenaries is certainly well made, and we should be making that very clear to African armies and leaders who are contemplating that sort of measure.

Mr David Winnick (Walsall North) (Lab): Should we be pleased, given Gaddafi's history, that Britain took part in an arms fair in Libya last November at which all kinds of crowd control equipment and sniper rifles were sold to the regime there? Frankly, Prime Minister, is it not time that this country—whichever Government are in office—stopped selling arms to murdering bastards who terrorise their own people?

The Prime Minister: I would make the point—I think it is a cross-party point—that this country now has some of the toughest arms control legislation in the world. This Government immediately revoked about 30 licences, covering a whole range of products, to that regime and others in the region, and I think that that was right, but are there further lessons to be learned? I am quite clear that we should be looking at this and seeing what more can be done.

David Tredinnick (Bosworth) (Con): Can my right hon. Friend reassure the House that he has learned the lessons from the failure of the last Labour Government to plan effectively for what happens after regime change?

The Prime Minister: My hon. Friend makes the important point that we now need to plan for every eventuality. That is why I mentioned in my statement the importance of planning for a potential humanitarian crisis. We also need to plan for what might happen should the regime fall, or—something we do not want to happen—should it embed itself for a long time, resulting effectively in civil war in Libya. We have to prepare for every eventuality and work with the international community to ensure that we are ready for them.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): Further to the point made by the hon. Member for Walsall North (Mr Winnick), may I point out to the Prime Minister that the end user certificate scheme is broken? It does not work. Since the first half of last year, £31 million worth of armaments have been sold to Libya, including water cannon, stun guns, smoke grenades and tear gas—in other words, a panoply of equipment that can be used against civilians, rather than to defend the state against aggression by another.

The Prime Minister: The right hon. Gentleman makes a good point. If we look at the whole terms of the deal done in the desert, we need to ask ourselves some serious questions about how widely it went and what sort of equipment was involved. Frankly, I am pleased that we have put in place the revocation of these licences, but there are lessons to learn about what was intended by what was agreed several years ago.

Tony Baldry (Banbury) (Con): Does my right hon. Friend agree that the unanimous decision by the Security Council to refer Gaddafi to the International Criminal Court is of great importance because it demonstrates incontrovertibly for the first time that if Heads of State and Heads of Government commit human rights offences, they will be liable to prosecution?

The Prime Minister: My hon. Friend makes an extremely good point. When Britain—and it was Britain—drafted the text of this resolution, the advice I was given suggested that it would take days or possibly weeks to get through the UN Security Council. It is remarkable that the Security Council has adopted this resolution unanimously with no votes against and that all countries—without naming them—backed it. It is a very positive sign, which I hope means that when we come forward with fresh Security Council resolutions to tighten further the screw on this dreadful regime, we will gain similar support.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): On planning for the future, has the Prime Minister had any discussions with NATO about whether, if we require further rescue actions, it could play a larger role so that we go beyond bilateral action?

The Prime Minister: The hon. Lady makes an important point. My right hon. Friend the Secretary of State for Defence has discussed with NATO today a range of issues, including the one she mentions and military planning for no-fly zones. Although there have been bilateral efforts by countries such as Britain to get into areas such as the desert to rescue our own people, there has also been a huge amount of co-ordination in Malta—I pay tribute to Brigadier Bashall for leading this process—to make sure that, whether the planes are German, British or Canadian, we take each other's nationals out. I have had a range of conversations with different Prime Ministers and Presidents to make sure that we all help each other in this regard. That is what is being co-ordinated from Malta.

Mr William Cash (Stone) (Con): Is my right hon. Friend concerned about the prospect of Gaddafi unleashing his significant war machine against the people of Libya? Will he reflect on properly arming those who are resisting Gaddafi, if necessary, in order to ensure that they are not wiped out, as happened in Srebrenica and Sarajevo?

The Prime Minister: My hon. Friend makes an important point. We are trying to establish better contact with the opposition in Libya and to learn more about them and their intentions. What we want—I would argue it is in our interest and in that of the whole world, including the Libyan people—is the swift removal of Colonel Gaddafi from his position. If helping the opposition in Libya would help to bring that about, it is certainly something we should consider.

Frank Dobson (Holborn and St Pancras) (Lab): Will the Prime Minister confirm that there is nothing new or peculiarly Labour about dodgy relations between the British Government and the murderous Libyan regime? Will he confirm that when Metropolitan Police Constable Yvonne Fletcher was shot dead from the Libyan embassy in April 1984, the Thatcher Government humiliated the Commissioner of the Metropolitan police by requiring him to provide policemen to escort the murderer to the airport so that he could get back safely to Libya?

The Prime Minister: That is a somewhat tortured way of making a political point, and I would make one in return. *[Interruption.]* We have to comply with international rules, but let me make one simple point. During the last Parliament there was a choice about whether to support the release of al-Megrahi: one party decided that it was the right thing to do, and I am proud to say that my party did not.

Robert Halfon (Harlow) (Con): My grandfather was one of thousands of Jews who had to leave Libya because of Gaddafi's appropriation of Jewish businesses and homes, and he came to this country because of its democracy. He would have been shocked to have seen not only the close relations between the last Government and Gaddafi, but the acceptance by our distinguished universities, particularly the London School of Economics, of more than £1 million from Gaddafi. Will my right hon. Friend take steps to ensure that such a scandal never happens again?

The Prime Minister: My hon. Friend speaks with great power. What I have said about relations with Libya is that, while of course it was right to try to bring that country in from the cold, the question is whether parameters should have been put on the relationship. I think that it is for everyone to ask what agreements they

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reached. I heard the head of the London School of Economics on the radio this morning trying to justify one such agreement. Let us hope that at least the money that the LSE has can be put to a good use.

Chris Bryant (Rhondda) (Lab): Given the circumstances that the Prime Minister has described, is it not increasingly difficult to explain the behaviour of the UK Trade & Investment special trade ambassador, who is not only a very close friend of Saif Gaddafi but a close friend of the convicted Libyan gun smuggler Tarek Kaituni? Is it not time that we dispensed with the services of the Duke of York?

The Prime Minister: I am not aware of the particular connections that the hon. Gentleman chooses to make, although I am happy to look into them. However, if we are to disqualify friends of Saif Gaddafi from public life, I think that he will be saying goodbye to one or two of his old friends.

Mr Speaker: Order. I am extremely grateful to the Prime Minister for his reply, but may I just say, for future reference, that references to members of the royal family should be very rare, very sparing and very respectful? *[Interruption.]* Order. We have to be very careful in our handling of these matters, and I hope that we will be.

Mr James Gray (North Wiltshire) (Con): I thank and congratulate the brave young airmen and women of RAF Lyneham, which is still in my constituency and whose C-130J Hercules played such a crucial role in the evacuation. Does the Prime Minister agree that in future a much greater role could be played by contractors who at present have fairly scant plans for evacuations? If they expanded their own plans, we would lessen the risk to young service lives.

The Prime Minister: My hon. Friend has made a good point. Obviously there needs to be a deeper conversation and greater planning between companies and the Government. Of course, companies have played an important role, but I feel that we need to ensure that we get this right for the future. Trying to bring people out of the desert across 20 or more platforms is extremely complicated, and I am sure that we can learn some lessons about how to do it better in future.

Ann Clwyd (Cynon Valley) (Lab): I think that we all wish to record our tremendous admiration for the courage and tenacity of the Libyan people—men, women and children—who are fighting the dictator with their bare hands. As for learning lessons, we should bear in mind what happened when a no-fly zone was provided for the Kurds of Iraq. That was John Major's move, and it meant that thousands of Kurds were protected. Obviously there is not a great deal that we can do immediately, but we should consider that as a matter of great importance. I believe that it might save thousands of lives, if Gaddafi were to bomb his own people from the air.

The Prime Minister: The right hon. Lady always speaks about these issues with great passion. I think that she is right to draw attention to what people are doing in Libya, where they are showing extraordinary bravery. As we have seen across north Africa and the middle east, this is not an Islamist revolution but a people's revolution. People want the sort of freedoms that we take for granted in this country.

I have to tell the right hon. Lady that introducing a no-fly zone is not without its difficulties and problems. Libya is an enormous country. We would be trying to cover a vast area, and a serious amount of military assets would be required to achieve that. Furthermore, it would not necessarily stop all oppression of the Libyan people, because there are ways of carrying that out other than through helicopter gunships and planes. However, I think that it is one thing that we need to look at urgently and plan for, in case we find—as we may well do—that Colonel Gaddafi is taking further appalling steps to oppress his people. That is why the conversations are taking place today.

Duncan Hames (Chippenham) (LD): It has been good to hear more muscular liberalism this afternoon. The Prime Minister rightly called Gaddafi's rule an illegitimate regime that has lost the consent of its people. When does he consider that it was last anything other than that?

The Prime Minister: I have never supported Colonel Gaddafi or his regime, and I think that his regime is illegitimate. Clearly that prompts the question of how long we are going to go on recognising it in any way, which is why I have requested another urgently needed piece of work. We must ensure that we do everything that we can to isolate it. We must cut off money, cut off supply and cut off oxygen from the regime, so that it falls as fast as it possibly can.

Mr Denis MacShane (Rotherham) (Lab): You will recall, Mr Speaker, that 10 days ago, in an urgent question, I begged the Foreign Secretary to suspend arms sales to the region and to gear up the Foreign Office response. I am very glad that the Prime Minister has got a grip on that.

I welcomed the last part of the Prime Minister's statement about building on what is being done to create a new approach to democracy. Would he consider creating a British foundation for democracy development? It would include businesses, non-governmental organisations, the media, judges and trade unions. Its work would be similar to the work of the know-how fund, and the work that was done to support people in eastern Europe after 1989 and in the Iberian peninsula in the 1970s. Could some development money be spent on that? If so, we would be able to create something that could help everyone in the future rather than recriminating about the past.

The Prime Minister: I am not always in complete agreement with the right hon. Gentleman, but this is one such occasion. I very much support the whole idea of greater party-to-party contacts and political contacts, and building up what I call the building blocks of democracy in terms of civil society and political parties. This is an area in which Britain has expertise and excellence. We have the Westminster Foundation for Democracy, of course, so we need to ask whether there is more we can do with that, or whether we need to build a new mechanism. I am, however, glad to see cross-party support for something that Britain could play a unique part in helping to build.

Penny Mordaunt (Portsmouth North) (Con): Given the capability gap that we have had to accept under the strategic defence and security review until we have the carrier strike force and the Type 26 combat ship, and given that on Thursday US journalists were pressing State Department officials to explain why the US was not able to match British evacuation efforts, is the Prime Minister confident that in future years we can rely on the United States to deliver for us and for others we wish to help?

The Prime Minister: My hon. Friend asks a good question about the capability gap. I argue, however, that recent events demonstrate the importance of flexibility and the necessity of having a good range of military assets and transport aircraft—as we will have with the future A400M—and large numbers of highly trained special forces, of which we will have more under the defence review. It has also demonstrated that it is necessary to have—as we do in Malta, Sicily and elsewhere—basing rights and the right to overfly. People will put the question about carriers, of course, but although the US has about 12 aircraft carriers, not one of them is currently in the Mediterranean, so it seems to me that flexibility of forces and the ability to get people in and out quickly is more important than obsessing about particular platforms.

Jeremy Corbyn (Islington North) (Lab): I thank the Prime Minister for his statement and the reconvening of the UN Human Rights Council, which I hope will take centre stage in future developments. However, is he not concerned that in every country in the region—Tunisia, Bahrain, Egypt and Yemen—the security forces that have used weapons against civilians, and that have killed young people demonstrating for their rights and jobs, are using equipment made in Britain, Europe or the United States? We must look to such relationships and our sales of arms that have been used to carry out the carnage against wholly innocent civilians trying to demand what we want for ourselves.

The Prime Minister: I shall make two points to the hon. Gentleman. First, we have revoked a large number of licences, including to some of the countries that he has mentioned. I also argue the broader point that those countries that have met those aspirations with reform have a chance of success and progress, whereas those that have met them with repression are finding that that is not the answer. I think that we are going to see that that is the case right across the region.

Several hon. Members *rose—*

Mr Speaker: Order. Many hon. Members are still seeking to contribute, but there is pressure on time as we also have a heavily subscribed debate under the auspices of the Backbench Business Committee. Therefore, if I am to accommodate most colleagues, extreme brevity is now required.

Greg Hands (Chelsea and Fulham) (Con): Returning to the question asked by the hon. Member for Rhondda (Chris Bryant) on close relations with Colonel Gaddafi's son Saif, was the Prime Minister as surprised as I was to learn that Saif Gaddafi also had many meetings with the previous Business Secretary, Lord Mandelson, and described the former Prime Minister, Tony Blair, as a "close personal friend"?

The Prime Minister: My hon. Friend makes a good point that highlights the issues that I raised earlier. It was right to restore relations with Libya, but parameters and judgment needed to be brought to bear as well.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): In congratulating the right hon. Gentleman on the vote cast by the United Kingdom at the Security Council on Israeli settlements, may I ask whether he, like Chancellor Merkel, received a reproachful telephone call from Netanyahu, and if so did he, like Chancellor Merkel, reply that he—Netanyahu—is the principal obstacle to negotiations and that he must get on and negotiate?

The Prime Minister: As it happens, I did not, on this occasion, get a reproachful phone call from Prime Minister Netanyahu. But if I had done, I am, for once, in full agreement with the right hon. Gentleman, and I am sure that I would have responded robustly in the way that he has suggested.

Mr Andrew Tyrie (Chichester) (Con): Does the Prime Minister think that the relative inability of the west to offer moral leadership to those seeking greater freedom in the middle east owes something to the disastrous policy of regime change by military means, implemented by President Bush and Prime Minister Blair eight years ago?

The Prime Minister: I take issue with my hon. Friend, in a way. I think we should stop arguing about some of these points in the past and try to build a stronger argument about what our engagement with this region should be like. Where I agree with him is that what I call the rather naive, neo-con view that it is possible to impose democracy at the end of the barrel of a gun is not right, but it is also wrong to take a hardcore, realist approach of just saying, "We have to deal with what is there." We should learn from our own history and recognise that it is about putting in place the building blocks of democracy and having elections, yes, but also the rule of law, an independent judiciary, a proper place for the military in society, free association and free speech, many of which are rights that we had years before the vote. That is what we should be focusing on in our relations with these countries, so that we can help to point them to a better future.

Mr Frank Roy (Motherwell and Wishaw) (Lab): Throughout most of last week, hundreds of UK citizens in Libya felt in grave danger and, frankly, abandoned by this Government. Will the Prime Minister commission an independent inquiry into the shambolic way in which the Foreign Office undertook its duties in the early part of last week?

The Prime Minister: The hon. Gentleman is being slightly unfair. These are not easy things to get right, and we did well in the case of Egypt. Clearly, there are lessons to learn here, and I do not think it a complicated process. There are a number of steps, as I have said, regarding defence assets, redundancy and the use of

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scheduled flights, and I think we can learn those lessons relatively quickly. I think it a relatively straightforward and easy thing to do.

Mrs Eleanor Laing (Epping Forest) (Con): Given that Colonel Gaddafi's recent behaviour is no surprise to anyone, does the Prime Minister understand that the vast majority of people in Britain share his anger that the previous Government, in collusion with the Scottish Government, did all they could to secure the release of al-Megrahi, the Lockerbie bomber?

The Prime Minister: I have put this on the record many times: I think it was wrong to try and facilitate that release. The British Government should have taken a clear view that that was the largest mass murder in British history and that that person should die behind bars. It would have been a clear view; it would have been the right view; and it would have taken the country with them.

Jim Sheridan (Paisley and Renfrewshire North) (Lab): Notwithstanding the brave efforts of our military and consular staff at the weekend, if lessons are to be learned for the future, may I share the experience of my constituent, Mr James Coyle, who was released just last night, and his family? His family and I spent most of last week trying to contact the Foreign Office. Despite numerous phone calls, we were unsuccessful, and when we did get through we were asked the same questions over and over again, despite giving the details over the telephone and by e-mail. The family were repeatedly asked whether James could make his way to Tripoli, despite it being pointed out that he could not because the camp had been looted. If lessons are to be learned and there is going to be an inquiry, will the Prime Minister ensure that the victims in Libya will be included in that inquiry?

The Prime Minister: The Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for North East Bedfordshire (Alistair Burt), is listening to this, and I am sure that he will be able to take up this individual case. I have visited the crisis centre at the Foreign Office and seen the very hard work going on there. Obviously, the Foreign Office was coping not only with the crisis in Libya but with the earthquake in New Zealand, and it was taking calls on both of those. I have to say I have been impressed by its work. I am sure that if the hon. Gentleman has a constituency case, the Foreign Office will take it up for him and see what lessons can be learned.

Jeremy Lefroy (Stafford) (Con): Earlier, the Prime Minister mentioned the African Union, of which Colonel Gaddafi is a former chairman. Does the Prime Minister share my hope that the African Union will in future exclude such dictators from its membership?

The Prime Minister: What I can say to my hon. Friend is that we are on the case with this issue. My right hon. Friend the Secretary of State for International Development will be talking to a number of African leaders about what we believe the African Union could do to step up to the plate and make a point about the unacceptable behaviour of Colonel Gaddafi.

Richard Burden (Birmingham, Northfield) (Lab): The Prime Minister put it graphically when he said that hopes and aspirations that have been smothered for decades are stirring. If we are to build a new relationship with the middle east based on mutual respect, do we not need to get rid of our reputation for double standards? That means not only standing up to dictators, but saying very plainly that the occupation of one country by another is wrong and has to end.

The Prime Minister: I agree with the hon. Gentleman. In the case of Israel and Palestine, we should make it very clear that the settlements are wrong—the vote we cast in the UN Security Council was absolutely clear about that. We should also be clear that we want to see the advance of civil society, open societies, pluralism, democracy and freedom in countries across north Africa and the middle east. What I have found from talking to leaders in Kuwait, Qatar, Oman and elsewhere is that that is not a message that friends in the Gulf reject; it is one that they accept and see the sense of. As an old friend, this country should be pushing to explain how important this is. That should be done with respect, and we should recognise that different countries have different rates of development and different traditions, but our belief in democracy and open societies should not be negotiable.

Rehman Chishti (Gillingham and Rainham) (Con): In light of Colonel Gaddafi's 40 years of violence abroad and tyranny at home, does the Prime Minister agree that it was morally and ethically wrong for the previous Government to sign those defence contracts? Will he ensure that those contracts are now fully put into the public domain, so that they can be fully scrutinised?

The Prime Minister: My hon. Friend makes a good point. When you look at the so-called deal in the desert, you find a degree of credulity on the part of the previous Government, who signed it. I am very happy to look at whether the actual documents that were signed can be put into the public domain, so that people can see the mistakes that were made.

Mr Andrew Love (Edmonton) (Lab/Co-op): Is not the dilemma in Libya that left to its own resources the least likely option is that the Gaddafi regime will be brought to a quick end? Gaddafi is already enforcing his position in Tripoli, the capital, and, as we have heard from hon. Members on both sides, there are real worries that there will be not only a humanitarian disaster, but a human rights disaster. The Prime Minister has indicated some areas that he is examining, but will he redouble efforts not only nationally, but internationally to ensure that we do not stand by and see that happen?

The Prime Minister: I agree that we should not just stand by—if Colonel Gaddafi uses military force against his own people, the world cannot stand by. That is why we should be looking at a no-fly zone; that is why urgent discussions need to take place in NATO; and that is why we need America to be fully engaged in looking at what needs to be done. What we cannot know from here is exactly what will happen next. If someone had predicted a few years ago that half of Libya would be under the control of rebel groups, people would have said, "That is impossible with the security apparatus that Colonel Gaddafi has at his disposal." What is exciting is that everybody thought that this murderous dictator was fully in control of his country, but part of his country has been knocked over so quickly.

Miss Anne McIntosh (Thirsk and Malton) (Con): I thank the Prime Minister for the personal interest that the Under-Secretary of State for Foreign and Commonwealth Affairs, the hon. Member for North East Bedfordshire (Alistair Burt), has taken in the case of an oil worker from Thirsk, who is now being brought home. We are very grateful for that. I also thank those on board HMS Cumberland. A number of years ago, the ship hosted three lady MPs while it was patrolling the Gulf to prevent Iran from breaking oil sanctions. The Prime Minister is aware of the real threat of an oil price hike in this country resulting from the constant ongoing instability in the middle east. Will he put our minds at rest by telling us that the Government will turn their attention to the implications for this country of the instability?

The Prime Minister: My hon. Friend is trying to get me to prejudge what my right hon. Friend the Chancellor might say in the Budget. Obviously I cannot do that, but she makes a number of good points about how we have helped to rescue people from the desert. May I just say, again, how brave the pilots and crews of those aircraft were, because this extremely difficult mission involved a number of stops in desert areas and they were very uncertain as to what exactly they would find? All credit to them for the incredible work that they have done.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Will the Prime Minister tell the House what reports he has received about the killing of people in Tripoli who were celebrating after listening to inaccurate reports from authoritative sources that Gaddafi had fled to Venezuela?

The Prime Minister: I have not seen those specific reports, but clearly a number of people have been murdered in Tripoli, in Benghazi and in the rest of the country by that murderous regime. The responsibility for that lies squarely with Colonel Gaddafi and the people who run that regime, not with anybody else.

James Morris (Halesowen and Rowley Regis) (Con): On the broader point about the changes that we are seeing in the middle east, does the Prime Minister agree that it is in Britain's national interest to pursue a soft power policy, along the lines that he has described, to promote democracy and support opposition movements where people are moving towards a desire for greater democracy in these countries?

The Prime Minister: I very much agree with that. In terms of the soft power to which my hon. Friend refers, this country has incredible assets, be it the British Council, the BBC or political relations. All those things should be brought to bear and we should recognise, as I said in my statement, that building democracy is painstaking and patient work. Alongside hard power, those soft power assets can sometimes achieve the greatest success.

Chris Leslie (Nottingham East) (Lab/Co-op): Will the Prime Minister explain the procedure used to trigger a meeting of the Cobra emergency response committee? There has obviously been some criticism of the inexplicable delay in that meeting. Was it because the Deputy Prime Minister would have had a role in it, if he had not been out of the country? Will the Prime Minister review this matter and publish that review?

The Prime Minister: Typically, as the hon. Gentleman will know, Cobra is triggered by the Prime Minister. Let me make it clear that on Monday the Foreign Office crisis centre was established with Ministry of Defence people embedded in it, so the idea that two Departments of State were not co-operating is wrong. Cobra is normally exercised by the Prime Minister, and it meets regularly at official level as well, as the hon. Gentleman will know, in relation to a range of different activities that we have to deal with. It has been in activity all over the weekend.

Henry Smith (Crawley) (Con): Can the Prime Minister say whether the military agreement signed by the previous Government was used to train special forces in Libya and whether those special forces, in what is left of Gaddafi's regime, have been used against people?

The Prime Minister: I am not aware of that, but I think that the full terms of the deal in the desert need to be made clear. Then, those Opposition Members who are calling for the word "sorry" might like to issue it themselves.

Thomas Docherty (Dunfermline and West Fife) (Lab): Further to the question asked by my hon. Friend the Member for Liverpool, Wavertree (Luciana Berger), does the Prime Minister accept that members of his Government need to be very careful before making statements about dictators fleeing their countries, as we have seen murder on the streets of Tripoli as a result of the Foreign Secretary's foolish remarks?

The Prime Minister: Let us be clear: murder on the streets of Tripoli is the responsibility of Colonel Gaddafi and his murderous regime. For Opposition Members to try to make some fake political point on this basis is truly pathetic.

David Rutley (Macclesfield) (Con): I welcome the Prime Minister's statement, the successful rescue missions and the leadership that UK forces are showing in co-ordinating activities on the ground in Libya. Given the experiences in Libya and Egypt, will he tell the House what steps are being taken to develop contingency plans to protect British nationals in Oman and Yemen, if the situation in those countries escalates?

The Prime Minister: My hon. Friend makes a very good point. We are doing extensive work looking at the number of British nationals right across the region and preparing for all eventualities. Obviously, we do not want to do anything to encourage those sorts of issues, but contingency plans and thinking are going on to ensure that those issues are covered.

John Woodcock (Barrow and Furness) (Lab/Co-op): We share the Prime Minister's objective of having a successful and stringently controlled defence export sector in the UK, but, on reflection, would he not have made better progress toward that objective if he had reconsidered the timing of his trade mission last week?

The Prime Minister: I disagree—I would like to make people happy, but I do not agree. It was a long-arranged trip, and it was worth while going to Cairo and being one of the first people to make it to Tahrir square and to meet some of those protesters. Also, going to Kuwait on the 20th anniversary of its liberation and being able to make a speech in the Kuwait Parliament about the importance of spreading democracy and freedom was extremely important. On who accompanied me on the trip, I had a little check and in November 2008 the former Prime Minister took many of the same companies, including British Aerospace, which plays quite a big role in the hon. Gentleman's constituency. Companies such as Rolls-Royce and British Aerospace are large employers in this country, and it is important that we help those businesses and make sure that they go on employing people, not least in his constituency.

Stephen Hammond (Wimbledon) (Con): I congratulate the Prime Minister and the Chancellor on their quick action to prevent moneys being exported and on the action at the United Nations. Will the Prime Minister confirm that the Government will take action, and will press the UN to take action, against any country that breaks the UN resolution?

The Prime Minister: I thank my hon. Friend for his question. The most important thing is to encourage countries to take action in respect of the UN resolution and to put in place its terms as quickly as possible. We held a Privy Council meeting yesterday to allow us to pass legislation putting in place the asset freeze. We should encourage others to take that step before considering the next step of widening the net and putting even more pressure on the regime.

Helen Goodman (Bishop Auckland) (Lab): Before the Prime Minister takes too many cosy trips down memory lane with Sir John Major, perhaps he will recall that the arms that were exported to Iraq under the last Tory Administration were never paid for. As part of his review, will he look into the role that the Export Credits Guarantee Department played in providing cover for arms sales to unstable countries?

The Prime Minister: The trip down memory lane that I was taking was to Kuwait with John Major to celebrate the fact that 20 years ago this country played a part in an international coalition to bring about its liberation. Kuwait is not a democracy like us, but it has a Parliament and is taking steps to greater openness. Should we have a close relationship with such countries? I say yes, we should.

Mr Peter Bone (Wellingborough) (Con): I, like most Government Members, thought it immensely impressive that the Prime Minister was in the middle east so early. Will the Prime Minister again pay credit to our extremely brave RAF personnel who carried out the two desert rescues, and will he point out in particular that 95 British nationals were rescued, as well as 270 foreign nationals? Does that not show that we were leading in the evacuation of non-Libyan nationals?

The Prime Minister: I know that my hon. Friend has an interest in this, because his son is a Chinook pilot and has served bravely in Afghanistan and elsewhere. What the British military has done is outstanding—the Royal Navy in Benghazi and the Air Force in the desert mission. My hon. Friend is right. More than 32 nationalities have been rescued and brought back by the British. There is also co-ordination by the British going on in Malta and our AWACS aircraft are providing much of the air traffic control. Once again, the whole country, with our armed forces, can be very proud.

Mr Andy Slaughter (Hammersmith) (Lab): The Deputy Prime Minister once said that the Prime Minister is amazingly flaky on foreign affairs. Flaky or not, does the Prime Minister accept at least that he showed poor judgment last week in prioritising arms sales to the region over helping the Libyan people and our citizens in Libya?

The Prime Minister: That question was the definition of flaky. I went to Egypt, an important country whose democratic transition we should be encouraging. I also made a speech in the Kuwaiti Parliament about democracy. Yes, links with middle eastern countries are important. One of the reasons for going was that country after country had said to us that they were ignored, downplayed and downgraded by the previous Government. Making sure that we are building those relationships is important, and the hon. Gentleman's judgment on this one is wrong.

Rory Stewart (Penrith and The Border) (Con): Libya is a wake-up call that Afghanistan is not the only country that matters in the world. It shows that we have not had a balanced, moderate foreign policy. Does the Prime Minister agree that this is a reason to accelerate the draw-down of resources from Afghanistan, so that we can meet the many crises in the world, of which Libya is one, that will confront us over the next decade?

The Prime Minister: I do not think this is an either/or. I know that my hon. Friend ~~has~~ considerable experience in Afghanistan, but I think that the draw-down should take place. We have set an end date, but between now and then it should be done with our NATO and international security assistance force partners to make sure that we are doing on the ground what we need to do, so that that country can have some chance of controlling its own affairs and its own destiny and providing its own security. But our aim in Afghanistan is no more than that the Afghans themselves should be able to secure that country, so that it does not require the presence of foreign troops. It is as simple as that.

Andrew Percy (Brigg and Goole) (Con): The past few weeks have shown that not everything in the middle east is necessarily contingent upon the Israeli-Palestinian conflict. As we move forward, does my right hon. Friend agree that whatever democracies emerge in north Africa and the middle east, it is important to ensure that they recognise the legitimacy of Israel, function as democracies and act as a counterbalance to Iran?

The Prime Minister: My hon. Friend makes a good point, although we should not be pessimistic about the effect of greater democratisation in the middle east and the Arab world on the prospects for Arab-Israeli peace. Some of the more autocratic regimes use the Arab-Israel conflict as a way of keeping their own populations happy without having democracy. So, yes, the road between here and there may be quite bumpy and difficult, but in the end, deals between democracies will be stronger.

Alun Cairns (Vale of Glamorgan) (Con): My constituent, Richard Foscolo, was stranded in the desert in Ghani in an oilfield. He returned home last Friday. Initial contact with the Foreign and Commonwealth Office was naturally difficult, partly because of the circumstances on the ground, but the family feel particularly let down by his employers, OPS International, which did not make all the information available to the embassy or to the FCO, so that co-ordination could be brought about effectively. What action will the Prime Minister take to ensure that information is shared as efficiently as possible?

The Prime Minister: My hon. Friend makes a good point, and there are lessons to learn about how information is shared. It is a difficult and ever-changing picture. Let us just look at the numbers of people who we think are in Libya and who want to come out. Even in the age of the internet, the mobile phone, computer databases and the rest of it, getting a real grip of those numbers, as I believe we now have—we will go on publishing more granular information about that—is difficult, but companies working with the Government is clearly an essential part of that process.

Andrew Bridgen (North West Leicestershire) (Con): Does the Prime Minister agree that much of what we have heard from the Opposition over the past week, at the height of the Libyan crisis, has been nothing short of naked political opportunism, and that the deputy leader of the Labour party should apologise for comments that she posted on Twitter, when she said:

"Rapid deployment force not rapid"—

Mr Speaker: Order. I am always interested to hear the hon. Gentleman, who is an extremely keen and assiduous new parliamentarian, but I am afraid he is asking the Prime Minister about something for which even the Prime Minister does not actually have responsibility, so we will leave it there.

Andrew Bridgen *rose—*

Mr Speaker: Order. We will leave it there.

Mr Philip Hollobone (Kettering) (Con): It is obviously right to send assistance to tackle the growing refugee problem on Libya's borders, but are efforts being co-ordinated with EU partners and others to prevent the turmoil throughout north Africa becoming an immigration problem for Italy and southern Europe?

The Prime Minister: My hon. Friend makes a very good point, and there are urgent conversations under way about that. At the moment, the pressure is on the borders between Libya and Tunisia and Libya and Egypt, and a lot of it involves migrant workers from Tunisia and Egypt returning to their countries, but, as I said in my statement, my right hon. Friend the Secretary of State for International Development will visit the region soon. We are sending out technical experts to advise us on what is necessary, but I think that there is a real job for the European Union to work together and make sure that the situation does not turn, as my hon. Friend suggests, into a refugee crisis.

Mr Speaker: I must thank the Prime Minister and all colleagues, whose succinctness meant that no fewer than 53 Back Benchers were able to be called to ask questions on the statement. I am very grateful to colleagues.

Points of Order

4.42 pm

Alison Seabeck (Plymouth, Moor View) (Lab): On a point of order, Mr Speaker. I draw the House's attention to my earlier declaration of interest. During questions to the Secretary of State for Communities and Local Government, the Minister for Housing and Local Government said that I misrepresented his policy on the new homes bonus. He claimed that he had equalised the payment for new homes built, but that is simply not the case. The new homes bonus matches the council tax for each new home built over six years. The council tax for each band is averaged; the payment per home is not. The Library has produced research that supports the case that I made with regard to Hull and to Kensington and Chelsea. Will you, Mr Speaker, advise me and the House on how the Minister can correct the record?

Mr Speaker: I am very grateful to the hon. Lady for giving me notice of what she intended to raise and has, indeed, now raised. She has put her point on the record, and she will have other ways of pursuing her concern about the matter. I must advise her, however, that it is not a procedural matter on which I can rule this afternoon.

Jeremy Corbyn (Islington North) (Lab): On a point of order, Mr Speaker. The Prime Minister, during his statement, referred to a meeting yesterday of the Privy Council, which has frozen Libyan assets. I do not object to the freezing of Libyan assets—quite the contrary—but I wonder whether you, Mr Speaker, have had any notice of any parliamentary procedure to approve that particular motion, because the Prime Minister did not refer to one during his contribution. Clearly, Parliament must have a role in any decision of that magnitude.

Mr Speaker: The hon. Gentleman raises an extremely important point. Indeed, it is so important and so deserving of serious consideration that it would be a gross discourtesy for me to respond now, thoughtlessly, inadequately and, from the vantage point of the hon. Gentleman and the House, disappointingly, so I will not. I will reflect on the matter, and I might come back to the hon. Gentleman, who has, on the strength of his nearly 28 years' experience of the House, put his own thoughts on the matter very clearly on the record.

Chris Bryant (Rhondda) (Lab): On a point of order, Mr Speaker. Of course, I fully agree with the stricture that you laid on us earlier in relation to naming members of the royal family, but I am sure that, in reading "Erskine May", you will agree with me that the only reference to the matter is:

> "The irregular use of the Queen's name to influence a decision of the House is unconstitutional in principle and inconsistent with the independence of Parliament."

I presume it must therefore still be perfectly possible for us to criticise members of the royal family when they play a particular role as a trade ambassador for this country on behalf of UK Trade & Investment, and that it will be possible for us to table written parliamentary questions on that matter?

Mr Speaker: My understanding, off the top of my head, is that the hon. Gentleman is correct. He is an assiduous follower of the use of language, and I think that he will recall that in making my observation, I emphasised the importance of treating these matters with great care, and said that on the whole it is preferable if references to members of the royal family are both sparing and respectful. I think, however, that the entitlement to raise matters which, in a sense, he is pleading in evidence, is undisputed, and his understanding of "Erskine May" on this occasion—as, I have to admit, it is on most occasions—is notably accurate.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): On a point of order, Mr Speaker. As more and more universities are planning to do the Government's bidding and charge the full £9,000 in tuition fees, last week the Government announced yet another delay to their higher education White Paper, and also raised the prospect of even deeper cuts to teaching and research funding. That White Paper, which has at its core the future of student numbers, is fundamental to the future financial health of our universities. Although it increasingly appears that it is being written by Walter Mitty, nevertheless it is surely the responsibility of the House to give it proper consideration. Can you bring any clarity to the House, Mr Speaker, as to when we might be able to debate that White Paper?

Mr Speaker: The short answer to the hon. Gentleman's inquiry is no, but I note that the Leader of the House is in his place. The hon. Gentleman, who has become rather a seasoned professional at raising matters of this kind, the better to advance his case, has obviously decided that today should be no exception. He has registered his concerns very forcefully, and it may be that he will hasten the day when satisfaction becomes his due; we shall see.

If there are no further points of order, for which there has been quite an appetite after the half-term break—I suppose that that is to be expected—we now come to the main business, which is a debate on the big society. Before we get under way, perhaps I can explain a number of things. First, the amendment that was tabled has not been selected. Secondly, there will be a 15-minute limit on the opening Back-Bench speech, as the hon. Gentleman who is about to deliver it is aware. Thirdly, there will be an eight-minute limit on each subsequent Back-Bench speech.

Backbench Business

[21ST ALLOTTED DAY]

Big Society

4.48 pm

Charlie Elphicke (Dover) (Con): I beg to move,

> That this House supports the Big Society, seeking stronger communities where power is decentralised and social action is encouraged.

I place on record my thanks to the Backbench Business Committee, particularly its Chair, the hon. Member for North East Derbyshire (Natascha Engel), who has been such a great advocate of Back-Bench business and so encouraging in the process of bringing forward this debate. I also thank the right hon. Member for Salford and Eccles (Hazel Blears), who cannot be with us today because she is on official business, for her assistance in making the case to the Committee, and my hon. Friends the Members for Bristol North West (Charlotte Leslie) and for Hexham (Guy Opperman). It is a great thing to have secured this debate. The big society has been much discussed in the media, and yet this is practically the first proper occasion on which it has been discussed on the Floor of this Chamber.

It is traditional when discussing the big society to start talking about the invention of the telegraph, the growth of centralisation, and the invention of the internet, and then to wind up with a discussion of something called the post-bureaucratic age. That is fascinating to those of a philosophical bent and technocratic in nature, but it does not mean much to my constituents. What I want to talk about is the sense of annoyance that everyone has when an individual feels put off from simply sweeping the snow from the pavement outside their house for fear that they will be sued, or when they are scared to jump into a pond and rescue a drowning child.

How have we got to the situation where individuals do not feel that they can take responsibility, and that rules and procedures stop them doing so? It is important to encourage people to take more action and more responsibility for their own lives and for their communities. People in communities are frustrated, such as the head teacher who cannot decide which children are in his school and feels that he is being told what to do by diktat, and the hospital worker who wants to take responsibility for his area, but who has to follow detailed rules and procedures.

Communities as a whole—big communities such as mine in Dover—want a greater sense of being able to chart their own destiny and future direction, but feel hampered by central Government saying, "No, these are the rules. This is how it is going to be. It is all going to be top-down and what you say doesn't count for much." It is that sense of annoyance and frustration, which stalks the land up and down the country, that the big society aims to counteract.

The Prime Minister put the case succinctly in *The Daily Telegraph* on 21 February 2011, when he said:

> "The idea at the heart of this—the Big Society—is about rebuilding responsibility and giving people more control over their lives. But that doesn't just apply in areas like volunteering. It's as relevant when it comes to public services and the decentralisation of power. Indeed, I would argue that our plans to devolve power from Whitehall, and to modernise public services, are more significant aspects of our Big Society agenda than the work we're doing to boost social action…In the past decade, stories about bureaucracy over-ruling common sense, targets and regulations over-ruling professional discretion, and the producers of public services over-ruling the people who use (and pay for) them—became the norm, not the exception. This might have been worth it had it led to dramatic improvements, but the evidence shows otherwise. Whether it's cancer survival rates, school results or crime, for too long we've been slipping against comparable countries."

Paul Flynn (Newport West) (Lab): I am doing my best to follow what the hon. Gentleman is saying. If there are people who will not jump into a pond to save a drowning child, will he explain how the big society will persuade them to do so?

Charlie Elphicke: The central point I am making is that people who want to take charge and responsibility feel put off from doing so by the concern that they will somehow be held liable. The law on rescuers used to be very clear: if a person attempted a rescue but completely messed it up, they would not be held liable. That position has changed in recent years. There is a fear that if one clears the snow on the pavement, one will be sued by someone who slips up because one has done it ineffectively. The balance needs to change so that the individual who takes responsibility, acts and steps up to the plate for the wider social good is encouraged and given the maximum possible latitude to do their best. That is at the heart of my point about individuals.

I will move on and warm to my theme of decentralisation. Something is slightly overlooked in discussing decentralisation. It is often seen as just being, "Oh, let's get rid of big government." That point is important because if things are too top-down, they tend to squash the vitality of communities. The benefits from decentralisation and from enabling communities to take more responsibility are not simply social. It is not simply about making people feel that it is worth looking out for their neighbour, or about giving them a sense of belonging and a sense of enthusiasm that they can change things around them in their lives. It is not simply about giving people more of a sense of responsibility and well-being. Decentralisation is also important in the growth agenda because of its economic effects.

If we allow greater decentralisation, allow communities a greater sense of confidence and allow communities to take charge of their direction, they will develop. That has economic benefits. As all Members know, the more confidence, energy and buzz a community has, the greater the economic effects. That is not only true of the private sector. There is evidence from the European Central Bank that the countries with the most efficient public sectors are much less centralised than the UK. The United States, Australia, Japan and Switzerland enjoy an average efficiency lead over the UK of some 20%. To put that in context, if Britain could match those efficiency levels, spending would be cut by £140 billion with no diminution in the standard of public services. That is not un-equidistant with the size of our budget deficit today. We should consider carefully whether decentralisation can be captured in order to produce positive effects on the economy and the public sector.

Stewart Hosie (Dundee East) (SNP): The hon. Gentleman has talked about a lack of confidence, but in my constituency we have all the volunteering that one

[Stewart Hosie]

would expect. There are community councils, traders associations, crime prevention panels, neighbourhood watch schemes and all the very things that he wants to see. There is no lack of confidence. In Scotland that is normal—it is simply civic society. If the big society is anything other than simply cover for the cuts, why the rebranding of what already happens the length and breadth of the country?

Charlie Elphicke: It is in no way, shape or form cover for cuts. It is a vision that the Prime Minister set out well before the crisis that engulfed the public finances and made necessary the tough decisions that the Government are taking. I do not want to focus on the deficit and the current difficulties in reining in the size of the state, because the big society is about much more than that, and it is more important than that. It is about giving people and communities a sense of responsibility.

I shall take the example of Dover, my constituency, which I advance as a case study of the difference that can be made. Before the election, the previous Government were planning to sell off the port of Dover. That proposal was in the operational efficiency report, the so-called car boot sale. There was to be an allegedly voluntary privatisation, but it was pretty clear that there was a desire for the port to be sold. My constituents understood that it would almost certainly go to a buyer overseas, and there was a sense of frustration about that.

That sense of frustration in relation to the port has existed for many years, because the directors have always been appointed by Whitehall and have had very little to do with the local community in their direction or in community engagement. That connection with the community has not been in place. The port is not simply an economic and transportation facility, it is also a social facility, as anyone with a port in their constituency will know. The interconnection between a town and the port in it is deep, and there is a symbiosis between the two. That is very much the case in Dover. With a whole load of directors having been appointed in Whitehall, hundreds of miles away, the people of Dover have been unable to effect positive engagement.

If the port were sold off overseas, we would simply be swapping one remote interest for another, and the community would not be engaged with it. Part of the difficulty in that situation would be that the community would think that the port's management did nothing for the town and did not engage positively with it. Sadly, the port has gone to war with the ferry companies, which are the key port users for both berthing charges and general relations. There has been a breakdown of the relationship in the heartland of Dover's local economy. The town and the community are not happy, and the key businesses are not happy. The port is on the block, threatened with being sold off overseas.

What can the community do? Under the traditional model, the solution would be about either the big state or big business. We say that it is time to try something new and different—giving the community a chance to take charge of its future and its destiny. We have been asking why, instead of the port being sold off overseas, the community cannot buy it as a community mutual and run it in partnership with those who use the port, the ferry companies that effectively account for all the port's money. Many people will ask, "How can you possibly do that? How can these stupid yokels know what they are doing? Either you need big Government running it or big foreign business doing it, but you cannot possibly expect a community to have the intelligence or wherewithal to run an important facility like that."

Mr Philip Hollobone (Kettering) (Con): I am following my hon. Friend's speech with great interest, and he is making a powerful case.

Charities lead the way in the big society, and one of the parts of the charitable sector that does best is air ambulance services. My hon. Friend might be interested to know that I have had a letter from Andy Williamson, the chief executive of the Warwickshire and Northamptonshire air ambulance, who states:

> "I do hope that the Government will adhere to its 'Big Society' agenda and not waver under the current media frenzy seeking the continued protection of a 'Big State'...we do not seek or desire Government funding; instead we have a solid belief that people will care for and support an organisation like ours that provides real, tangible and visible benefits for all."

Do not the air ambulances show the way forward?

Charlie Elphicke: My hon. Friend makes a powerful point. Air ambulances play an important role in many communities up and down the country. Such voluntary action to take responsibility and raise money makes such a difference.

That is exactly what the community is up to in the case of the port of Dover. What is the response of the community? It is getting together with the ferry companies to make a bid to buy the port. We are asking the Government to allow us the opportunity to make that bid. The proposal is led not by people who do not know what they are doing, but by people who are extremely experienced. The president of the Dover People's Port community trust is Sir Patrick Sheehy, who used to run British American Tobacco, the massive cigarettes and tobacco combine, and another director is Algy Cluff, who opened up the North sea to oil exploration. The chairman, Neil Wiggins, who is in the Members Gallery, has expertise in buying, selling and managing ports all around the world.

That is the key point. There is so much talent and knowledge in our communities, which have the wherewithal and ability to take on serious responsibilities. That is why we have been able to go to the City, raise £200 million to buy the port, and put together a business plan that includes investment in the national interest of £100 million over the next five years, plus £50 million for the regeneration of the port. Anyone who knows Dover will see why it needs the big society and why it can be a landmark for the big society.

Rehman Chishti (Gillingham and Rainham) (Con): Am I right in thinking that the whole point of the big society is empowering people to determine their destiny? My hon. Friend talks about the port of Dover, but the big society could come down to smaller initiatives in respect of, for example, development and planning, whereby local residents and not bureaucrats determine their destiny.

Charlie Elphicke: Exactly so—my hon. Friend makes a powerful point. I have said how the big society can be big, but it can also be big in many small ways. Small initiatives are an essential part of the big society. It is not simply about proposals such as the large, eye-catching port of Dover example, but about small things that are done on a day-to-day basis, whether that is the individual volunteering—dare I say it?—to help the elderly lady to cross the road in the example that is so often given, or the small tenants' association that wants to run its estate, or public sector workers who want to set up a social co-op in the private sector. We should foster such changes by getting the state to back off a bit and by giving communities, individuals and small and big groups room to breathe, and a greater say in, and a greater sense of, their future direction.

Mr Christopher Chope (Christchurch) (Con): My hon. Friend makes a powerful case for a change in the regime of the port of Dover, which seems to accord with the Government's vision of the big society. Do the Government support his vision for the port of Dover?

Charlie Elphicke: I am unable to confirm that, because as my hon. Friend knows, that is subject to a quasi-judicial process. Even if the Government are supportive, they would be unable to say so, lest they attract a judicial review. Nevertheless, I hope the Government review the criteria of the bidding and privatisation process to enable a community bid to go through, and indeed that they will price in social and community enterprise value in privatisations or movements out of the public sector and into the private sector. In that way, communities will have a fair and a good chance to take over assets that are important to them and that matter to them.

I hope the Government produce revised proposals and that they give firm consideration to making that change. In doing so, they will send a strong signal that communities and decentralisation matter, that we want to give the balance of confidence to communities and that we want those economic benefits. Our proposal would give Dover a massive confidence lift and help to drive our local economy.

Regions throughout the UK need more confidence and to be more able to grow, prosper and do well, so that we can heal the divide between London, where all the prosperity seems to be, and the regions, which are left out. The regions will then have much more economic vitality and energy, which will make a massive difference in the future of the big society.

5.4 pm

Jon Cruddas (Dagenham and Rainham) (Lab): I welcome the debate because, judging from the press coverage, the big society appears all set to become a national joke. It remains the Prime Minister's "absolute passion", so I find it strange that the debate has to be secured through the Back-Bench business route. According to a report in *ThirdSector Online* in June last year, the Cabinet Office, in its structural reform plan, wanted to set up a Select Committee on civil society, but we are where we are.

I congratulate the hon. Member for Dover (Charlie Elphicke) on securing the debate and on his contribution. He has shown a commitment to the future of his port. It appears to have become his absolute passion and I wish him well in that.

Robert Halfon (Harlow) (Con): Just to let the hon. Gentleman know, the Select Committee on which I sit, the Select Committee on Public Administration, is responsible for civil society and is doing a lot of work on it as we speak.

Jon Cruddas: I take it then that the plan for a Select Committee on civil society is suspended for the time being because it is covered by the Public Administration Committee.

I have to make an admission: I quite like the notion of the big society. It returns us to issues of duty, obligation, service and contribution that should be the hallmark of all political parties, so I do not think that a monopoly is obtained by any party. Moreover, I resist the simple notion that the big society is a sham and simply a veneer for ideologically driven cuts, not least because, as the hon. Member for Dover said, the Prime Minister's attachment to that agenda predates the economic crisis and the onset of the cuts. I have read a number of what are supposedly the key texts in the big society debate. I refer hon. Members to the pamphlets of the hon. Member for Hereford and South Hertfordshire on compassionate conservatism and compassionate economics—his big society book.

Jesse Norman (Hereford and South Herefordshire) (Con): I am deeply grateful for that wonderful accolade but may I point out that it is Hereford and South Herefordshire, not to be confused with the doubtless equally marvellous county of Hertfordshire?

Jon Cruddas: I stand corrected.

There are some points of common ground in the texts that I have seen, which are interesting and add to the sum total of public knowledge. Aspects of the big society could lead to people having more control over their lives and to the creation of a more responsible society. That is a good departure point for the discussion today. Labour should welcome that and support empowerment and social responsibility.

I therefore refer Members to a pamphlet entitled "The Politics of Decency" written by my right hon. Friend the Member for Salford and Eccles (Hazel Blears), who cannot be here today, a number of years ago, which set out many of the terms of the current debate; her substantive policy proposals predated many of them. However, despite all the warm words that I am offering for the agenda, my reservations start to become apparent when we talk about delivering empowerment and social responsibility on the ground.

I suggest that, for three basic reasons, the Government agenda will not succeed in delivering on its stated objectives. First, it is weak on the role of the state. Witness the amendment that was not selected, which clarifies some of the views of the Conservative party on the matter. Secondly, the agenda does not have a robust enough approach in its criticisms of the private sector. Thirdly, the agenda is essentially silent on central issues of social justice.

Fundamentally, the big society agenda is about a redistribution of power and responsibility away from Whitehall and towards local government, intermediate organisations, local communities and individuals. However, the Government will be unable to achieve that. Consider the argument that the Government are uncertain, to put

[Jon Cruddas]

it in a charitable way, on the role of the state. The Prime Minister regularly acknowledges that the state will have to play an active role in building the big society, but what is happening on the ground? The Government want to encourage giving, but despite lobbying from the charitable sector, they have said that they will drop transitional relief on gift aid, worth around £100 million a year. The Government want to encourage community ownership and management of local assets built around the right to buy in the Localism Bill, but in reality they prefer to flog public sector assets off to the private sector. Witness what happened on the forests. A similar thing is happening with the £500 million of regional development agency assets. There is clear potential for something similar to happen with the £37 billion of primary care trust assets.

Moreover, the Government say that they want more third sector delivery of public services, but the detail of their policies will not necessarily enable that to happen. For instance, where their reforms are most advanced in terms of welfare to work, the scale and cash-flow requirements of the contracts mean that the vast majority will go to very large private sector firms, which then may or may not subcontract to charities or social enterprises, and may or may not do so on a fair basis. I have heard that the welfare Minister in the other place recently said that he anticipated a "perfect car crash" among providers. That is dangerous, because of the human consequences, and because providers will go to the wall as a result. Future examples could include offender rehabilitation and health.

Another example is the way in which the Government want to encourage public sector workers to spin out and form independent mutuals. I was recently told that the Secretary of State wants one in six public sector staff to do so by the end of this Parliament. Under the Labour scheme, those public sector workers could keep their pensions, received significant transitional support, and were guaranteed a three-year contract.

I tentatively suggest that none of that would be the case under the Tory plans. Communities have a right-to-buy asset, but minimal support to do so. They have the right to challenge local public services, but minimal support to do so. Public sector staff have the right to provide or to spin out, but minimal support to do so. We must consider alongside that the inability to deliver because of the cuts. If the big society is about more than informal acts of generosity, we need the infrastructure to provide it: people to train and manage volunteers, and people to win public service contracts and ensure that the services are delivered to a consistently high standard. That infrastructure has been hit. The Association of Chief Executives of Voluntary Organisations estimates that the voluntary sector will lose £1 billion as a result of cuts, the loss of gift aid transitional relief and the rise in VAT.

The cuts to the sector are beginning to stack up. Charities and voluntary groups in London have been subject to cuts of £50 million in the past 12 months. Council community grant programmes have been cut up and down the country. The list is growing by the day, and includes mental health services, autism charities, rape and crisis support centres, stroke associations, career support services, carers, housing and homelessness charities, YMCA branches, citizens advice bureaux and children's charities. Similarly, some cuts to benefit services will leave people feeling less in control of their lives, not more. They include cuts to disability living allowance, tightened thresholds for social care, cuts to Supporting People budgets and cuts to housing benefit. That reflects a failure to deliver the big society.

The Government are silent on the private sector. If people feel disempowered vis-à-vis the state, the same applies to their relationship with the private sector. The Government essentially say nothing on redistributing power and responsibility in that regard. For example, they propose to reduce workers' rights in the "Resolving workplace disputes" consultation, yet beyond praising best practice, they do not appear to have much appetite for doing anything practical to encourage more corporate social responsibility by giving time or money to good causes. Such contributions are significantly lower in the UK than they are in the US, which relates directly to levels of civic engagement and volunteering. For example, 82% of people who do not volunteer but would like to do so cite lack of time as a reason, and research by the Cabinet Office recently found that half of employees would like a volunteering and giving scheme to be established by their employer.

Mr Sam Gyimah (East Surrey) (Con): The hon. Gentleman speaks as if the past 13 years have been a rosy world in which the long arm of the state has been able to deliver all the public goods that we need without any problems. Is it not the case that we have tested to destruction the theory that the state knows best? We should harness the creativity of individuals and communities to partner the state to deliver the services that we need at local level.

Jon Cruddas: If the hon. Gentleman will bear with me for literally one minute, I will come on to a couple of instances that are a hallmark of the previous Government's record, which should be compared and contrasted with the collapse in infrastructure that will result from providing the big society on the ground.

The Government say little on fairness in talking about the big society. There is a strong correlation between levels of deprivation and levels of civic engagement, with more deprived areas less likely to participate in volunteering. Third sector organisations tend to be more dependent on public money in more deprived areas, and more deprived areas have tended to get a worse deal from the spending review. The cumulative result is likely to be that the infrastructure for delivering the big society will be hit hardest in deprived areas that are less able to deliver the big society vision. To my mind, where the Government's big society reforms genuinely empower people and lead to a more responsible society, Labour should welcome them. Conversely, where their reforms do not empower people or lead to a more responsible society, Labour should oppose them.

Finally, I want to make a couple of points about Labour's record. Between 2000-01 and 2007-08, the voluntary sector income grant grew by just over 40%, from £25 billion to £35.5 billion, of which individual giving accounted for more than 40%, and the voluntary sector work force grew by 124,000. Labour set up the Office of the Third Sector, and the current Leader of the Opposition was the country's first ever Minister for the Third Sector. I think that we can argue that under Labour the third sector thrived. It appears that some define the big society as a national joke, but I have to say that I fear—

Mr Deputy Speaker (Mr Nigel Evans): Order. I call Rory Stewart.

5.15 pm

Rory Stewart (Penrith and The Border) (Con): I honour the hon. Member for Dagenham and Rainham (Jon Cruddas) for giving a good defence of many of the good elements of the big society, and a good warning on some of its dangers. Much of the debate, however, reminds me of sitting in a room with a group of philosophers looking at some bird and explaining why the bird cannot fly. Again and again, I come to these debates and hear people say, "The big society cannot work, because people do not want to take responsibility"—I take the point from the hon. Member for Newport West (Paul Flynn) about people not wanting to save a child from a pond—or they say, "It cannot work, because they do not have the resources or expertise", or they say, "It ought not to work, because if these communities were trusted, they would do the wrong thing." So there are three kinds of argument: communities do not want to do this stuff; they cannot do this stuff, because of cuts; and they ought not to do this stuff, because they will do something irresponsible. For example, in debates on planning, we hear again and again that communities left to their own devices would build a concrete jungle or act as nimbys and block all development.

There are many good points here. The Opposition are making many good points. The big society is not a replacement for everything; it is not a silver bullet or a panacea. We need a state. I will list three of the many things for which a state is very important. First, we need a state where there are issues of expertise. For example, brain surgery is best left to the state, not a community. Secondly, where massive resources and big strategic decisions are required, such as in the building of highways or high-speed rail networks, things are best left to the state, not individual communities. Finally—this is where I pay tribute to the hon. Member for Dagenham and Rainham—the state is important when it comes to the protection of the vulnerable. Our democracy is based not just on majority representation, but on the protection of minority rights, and for that a state is very important.

Nevertheless, despite the fact that some communities might not want to do these things, despite the fact that some cannot do these things, and despite the fact that some might make the wrong decisions, big society is a wonderful thing. To those philosophers who say that this bird cannot fly, I say that it does fly. They should come to Cumbria or go in fact to any constituency. As was pointed out in an intervention, we can all see again and again exactly what big society is about. It is not about the state; it is not even about the voluntary sector, although it does a wonderful job; and it is not about individuals or businesses. It is about communities and community action.

Why does it work? Why, if someone comes to Cumbria, can they see in Crosby Ravensworth a better affordable housing project built by a community than would have been built by the county council on its own? Why, if someone comes to Kirkby Stephen, can they see a really smart neighbourhood plan—not one pushing for a concrete jungle or a nimby objection to any development, but one sensitive to the vulnerable and imaginative in how it does its development? And why, if someone comes to Appleby, can they see wonderful renewable energy projects? It is because those projects are different from those done by the state in exactly the three ways I mentioned—in the degree of knowledge, in scale and in their relationship to the risk to the vulnerable.

These are projects in which communities have a competitive advantage over the state because local knowledge matters in those projects. It is very important to live in a place in order to produce a really good plan for that place. The people who live there know about the place and care about it. They come up with creative solutions, street by street, on where to place a school, on how much housing to allow and on who will live in the affordable houses and where they will be located.

It also really matters that people care about these projects. Communities want their children to have a house in a way that a distant expert does not. Finally, although it is difficult to quantify, I think that all of us—as politicians, as opposed to civil servants—understand the will and the desire in communities to make things work in a way that a distant expert might not.

This debate should be familiar to the Opposition. There is a very distinguished tradition on the left of believing in people, of not being pessimistic about them, and of not being over-optimistic about technocratic, centralised expertise. There is a tradition of understanding that there is of course a place for the state, but that there is also a place for the community, and that that does not just involve mowing the lawns. A patronising idea is sometimes expressed that communities can be trusted to do only small, limited things.

In Cumbria, we bang on about what we have done with broadband because it is an example of communities, not the state, delivering a highly technical, highly challenging engineering project for a fraction of the cost and in a fraction of the time that the state would have taken. That has happened because the parish can ask people to do things in a way that the state cannot. The parish can ask communities to take out loans to pay for some of their own broadband, it can ask farmers to waive their way leave in order to get the fibre optic cable to the houses, and it can ask the church to put the transmitter on its roof. In that way, the price can be reduced fivefold. And this is just the beginning.

There should be a resonance between both sides of the House over our scepticism of expertise, and over our understanding that there are forms of knowledge, not theoretical knowledge, but "knowledge of how"—"capacity knowledge", forms of caring, of will and of desire that are not a replacement for the state but that, in the right place and the right circumstances, can achieve miracles.

All the points that hon. Members will make in this debate are true. They will be worried that a project might not be sustainable, or that it has not been the subject of sufficient research or strategic planning. They might also worry about whether it would fit into a global planning framework. All those objections are important and valid. Nevertheless, to return to the bird that I mentioned earlier, some people will stare at it and try to analyse it anatomically, wondering how it will ever get off the ground. I say to them: "Come to Cumbria and see the bird fly."

5.23 pm

Paul Flynn (Newport West) (Lab): In listening to the hon. Member for Penrith and The Border (Rory Stewart), I had great difficulty in finding any connection between what he was saying and the subject of the debate. He cited three splendid initiatives, but presumably they all took place under the last Labour Government.

Rory Stewart: They are three examples from the big society vanguard project in the Eden district of Cumbria, initiated by this Government, and the hon. Gentleman is very welcome to come and see them.

Paul Flynn: I am glad to have heard that explanation. I was also relieved to hear from the hon. Gentleman that we are not going to have volunteers doing brain surgery.

We should all beware of Prime Ministers bearing three-word gimmick policies. I have served in this House under six Prime Ministers, and I remember "the cones hotline", "the third way" and "back to basics". Now, we have "the big society". I think that the big society has most in common with the cones hotline. These were all pet subjects of various Prime Ministers who were willing to distort their own priorities to find money to plough into them over and above their general policies. There will be a degree of cynicism, when the cuts are taking place in all directions, if money is available to employ volunteers—

Jesse Norman: For some unaccountable reason, the hon. Gentleman seems to have forgotten the third way, which was possibly the most bankrupt of all these ideas.

Paul Flynn: I mentioned the third way. The hon. Gentleman has only recently joined the House, but he might know that I was not the most enthusiastic supporter of the previous two Prime Ministers. The third way was a candyfloss and vacuous policy, as is the big society, and no one ever knew what the first and second ways were, let alone the third way. I am sure that my Front-Bench team will reinforce the point, but a host of initiatives have already taken place over many years.

Robert Halfon: Will my hon. Friend give way?

Paul Flynn: Yes, of course.

Robert Halfon: I thank my hon. Friend for giving way. Is he aware that the author of the third way idea—none other than Anthony Giddens—recently wrote for *The Guardian* a paean of praise to Colonel Gaddafi? Does the hon. Gentleman think that that might be one reason why the third way did not succeed?

Paul Flynn: I am grateful for the accolade of being regarded as the hon. Gentleman's "Friend"—we sit on the same Committee together—but he provides a fascinating insight with his comment.

Let us think about what has happened to these initiatives. The hon. Member for Dover (Charlie Elphicke) described one of them in an Adjournment debate, in which he raised a constituency point, which he is entitled to do. If, however, he is looking for an example on which to build his "enterprise" in Dover, he should look at the Tower colliery. A group of people got together—notwithstanding the fact that everyone, including the previous Government, said that there was no chance of the pit becoming economic at any time—and provided a wonderful example of a co-operative enterprise that was successful, made money and provided employment for a long period. All that happened without Government intervention and without any top-down support from any Government body. Such initiatives have taken place.

I do not know what sort of nightmare world is inhabited by many Conservative Members. The idea that people will not jump into ponds to rescue children or that the last Labour Government, with all their deficiencies, did not want laws to encourage people to help old ladies to cross the road is absurd. This is to go along with the tabloid view of the last Labour Government: despite all his deficiencies, Tony Blair was certainly not a Ceausescu or a Joseph Stalin.

We have all advocated the outcomes of the big society; we have all supported them for many years. We have backed volunteerism, for example, and we had a year of the volunteer. I asked every Minister in the previous Government what they were going to do to volunteer, particularly how many days they were going to give for volunteering. I asked two Ministers who came before the Select Committee the other day the same question of how many days they were going to devote to volunteering. The responses were very weak, although I understand that the responsible Minister in the other place talked about giving three days a week, which he rapidly reduced to two. Anyone supportive of the big society and who is serious about the joys of voluntary work should tell us what they are going to do to lead by example rather than provide mere exhortation.

Volunteerism has always played an important part in, and has contributed to, our national life. The current danger is that the big society might send that process backwards because it is an attempt to nationalise volunteerism. Those who give out of the goodness of their hearts because they want to help their own society are suddenly going to be part of a Government scheme that will promote the aims of, and give credit to, the Conservative party. It might well act as a disincentive to those thinking of volunteering.

The Welsh Assembly Government developed a Communities First programme, which had more or less identical aims to much of what the big society is about—giving small groups some pump-priming money to assist their schemes, for example. As to whether this has been an unqualified success, some schemes were very successful, some less so. This idea is not new, however; it has been tried before, and it has proved to be a limited success. We have had no details from the Government about what will happen to the bank that is currently in an embryonic state. There is talk of it having about £200 million. I asked the Minister whether it was true that the Government's take from the charitable sector could amount to £5 billion a year or £3 billion a year, or whether it would be £1 billion this year and then £3 billion. The amount of money that is going in each year is nothing compared to the amount that is being taken out. The Minister denied that the amount was £5 billion, but he could not give me a figure. If he does not know what the amount is, he will not be able to tell me what it is not, but I should be glad to be given a figure tonight so that we can make a comparison.

Charlie Elphicke: I hate to obtrude on the hon. Gentleman's fascinating speech, and I accept that he has never knowingly supported a Prime Minister for as long as he has been in this place, but is he not being a little uncharitable about the cones hotline? The big society is about a bit more than just volunteering; it is largely about rebalancing the role of the state and the role of communities. Will he not give that some credit?

Paul Flynn: I think we all agree that the aim of creating a society in which people are empowered is desirable. One industry has suffered chronically from the dependency culture. It has been given handouts for many years, which has resulted in a lack of innovation and a habit of expecting everyone else to solve its problems. It has looked to the Welsh Assembly, to Europe, and to the British Government. That industry is the farming industry, and I doubt that that point will meet with much enthusiasm from Government Members. It is not people in working-class areas who feel that they are part of a dependency culture. It is those who are supported by huge subsidies which have a debilitating effect on their industries.

I return to what was said by the Select Committee. We should consider the reality. For instance, the Government are destroying a quarter of the Members of Parliament in Wales. I am sure that it will cause you some distress, Mr Deputy Speaker, to know that someone in my position, on the threshold of a promising parliamentary career, may find that his constituency has disappeared. Is that part of localism, of taking power down to the people? The truth is that power is being destroyed at that level.

Let us consider the idea that a Minister who is the son of a former Cabinet Minister, and who represents leafy suburbs somewhere in Surrey or Essex, will suddenly waltz down to my constituency—where employment in the coal mines was destroyed for the senior generation and where employment for the younger generation is now being destroyed by cuts—and tell people that he will rescue them from their misery by allowing them to work for nothing. The idea of working for nothing is very much a millionaire's view of helping society. If millionaires do not work, they still have their sustenance and their accommodation. Life does not change for them. Do they realise how deeply insulting it is to expect people to work for a long period with no wages at the end of it? It is fine if people do it because they believe that they are helping society, but if they find that they are doing it to help a Government project or advance the career of a Prime Minister, they will turn against the idea.

I believe that we are seeing nothing very new in the big society. Its aims are desirable, and we wish it well in the context of the worthwhile developments that may come of it, but it is wrong to pretend that it represents a revolutionary development in our society. I look forward to seeing—along with many other members of the Public Administration Committee—what advantages there are in it, and I am sure that we will reach a fair and balanced decision; but we may well decide that the big society is very little other than a big cop-out.

5.33 pm

Mr Mark Williams (Ceredigion) (LD): It is a privilege to follow the hon. Member for Newport West (Paul Flynn). I agreed with what he said about the role of Communities First in Wales. I could take Members to see deprived rural wards in west Wales, in Ceredigion, and in urban wards as well. The hon. Member for Dagenham and Rainham (Jon Cruddas) spoke of engagement, social activism and volunteerism in deprived communities, and of the mismatch that often occurs. Communities First has given such communities the leadership, resources and facilities that will enable them to become more engaged, and I think that that is as valid in Ceredigion as in Newport West.

I welcome the debate. I suspect that by the time it ends, at 10 pm, we shall have been given 30 definitions of what the big society is. People are increasingly familiar with the phrase, but they are still somewhat baffled about what it means. We have a chance to address that this afternoon. The concept is not well defined and neither is it understood yet. Sadly, it has come to be seen as synonymous with big cuts in public spending. That is inevitable, but it is also regrettable given the many positive points that we have already heard in this debate about encouraging the third sector and volunteering, which I will discuss in my speech.

Volunteerism is alive and kicking in our communities. The hon. Member for Dundee East (Stewart Hosie) made that point first, when he mentioned everything that is already happening, and the hon. Member for Penrith and The Border (Rory Stewart) said the same in respect of his constituency. Last week I was at the university in Aberystwyth in my constituency. It was hosting student volunteer week, an open day with 23 different organisations in attendance, encouraging students to volunteer and offering them work experience.

We cannot, however, ignore the fact that many charities face a reduction in their core funding, whether through cuts in direct funding or in local authority funding. In questions earlier today, we heard about the funding priorities that certain local authorities are setting, and I endorse what has been said, but we are still looking for a lead from Government, to ensure that many of our charities are not hit by the loss in core funding. The Government have had some positive news on that, but I would like to hear a little more from the Minister. I also hope that this debate is a discussion not of ideology, but of practicalities and the good delivery of services. *[Interruption.]* There is a note of dissent from the Opposition Benches, but I am concerned about the delivery on the ground of good services to my constituents.

Concern has also been expressed about the transfer of functions from quangos to voluntary organisations through the Public Bodies Bill, which is being debated in another place. In principle, if a charity can deliver a service that is being provided by a public body, it is preferable that the charity does so. That varies depending on what service we are talking about, however, and the key difficulty lies in ensuring that the resources and expertise are provided to do the job. It is all well and good talking about handing responsibilities from Consumer Focus to citizens advice bureaux, but the Minister needs to reassure us that CABs are sufficiently well equipped and financed to undertake those services.

Rehman Chishti: The Minister can correct me if I am wrong, but it is my understanding that there will be sufficient resources, with 5,000 extra professional community organisers and 4,200 extra health care visitors to ensure

[Rehman Chishti]

that families get the support they need and communities can come together. There will also be £200 million for the big society bank.

Mr Williams: I welcome those resources, of course, but let me go back to my point about the CABs. I was at a meeting last week, and there was genuine concern about the ability of volunteers to carry on doing the work they are doing if resources are cut to such an extent that the training courses they undertake are no longer available.

It is crucial that we address the concept of the big society correctly if we are to achieve its potential in helping to deliver services. As we have heard this afternoon, there is support for giving individuals and groups more power and opportunity to help their communities. I have no difficulty at all with the motion—although I would have perhaps a little more difficulty with the amendment, which was not selected.

What sets the concept of the big society apart is its recognition not simply of the contribution that charities and voluntary groups can make, but of the difference that can be made through allowing groups and individuals to make decisions and take control. St David's day is coming up, and I want powers and responsibilities to be devolved further to the National Assembly; I want them to be devolved to the community level—to our counties and our communities and our individuals. That may be about minor things such as garden exchange schemes or bigger things such as community energy projects and community broadband.

Anne Marie Morris (Newton Abbot) (Con): Does my hon. Friend agree that in talking about communities we should also consider businesses? In my constituency, we have set up Teignbridge business buddies, under which businesses help each other with small individual problems for free. That is not addressing a state role, but it does show that community is bigger than just individuals; it is also about the businesses within communities.

Mr Williams: I am grateful to the hon. Lady, in whose constituency I was briefly at the start of this week. I can testify that there are some very good businesses there, and the ethos she alludes to is very important.

I want to mention one or two projects in my constituency, such as the community-led project Transition Llambed, which works to challenge the issues of peak oil and climate change and to give Lampeter transition town status. That is a perfect example of an organisation run and led by the community for the community that aims to have a positive impact on the world around it. It epitomises the phrase, "Think globally, act locally." Formed four years ago, Transition Llambed has been extremely well received. It has 400 members—drawn from a town with a population of just 2,500 people—and has support from the town council, the university and local organisations.

Lampeter is also home to the excellent Long Wood Community Woodland group, which I had the pleasure of meeting last week, and which is in the process of securing 300 acres of woodland for local community use. I do not want to reopen the debate about forestry sales and the Government's climb-down; however, that very good project in Lampeter involves many different groups in the community.

I am never quite sure whether the tentacles of the big society extend beyond Offa's Dyke, but I do know there have been discussions between the Wales Office and Ministers in the National Assembly. I want to cite last November's excellent report from the Welsh Assembly Enterprise and Learning Committee, which discussed the role of social enterprises in the Welsh economy. It recommends that

> "the potential of social enterprise should not be viewed as a means of mopping up services that need to be developed more cheaply but as a way of developing new, innovative and more effective methods of delivery".

That committee was dominated by Labour and Plaid Cymru Administration Members—there was a Liberal Member as well—and I very much endorse that view, which is not at odds with what is being suggested from this side of the House. That issue goes to the very heart of this debate.

The committee also called for an improvement in the quality and coverage of business support and advice for the social enterprise sector—a relatively new sector that has sometimes been ignored. All Government Departments must be thinking of ways of fostering volunteerism and social enterprise, and that should mean the availability of advice and support as recommended by the committee. It might mean in some instances relaxing some of the regulations that make life difficult for many of our charities; the hon. Member for Newton Abbot (Anne Marie Morris) might agree with that, given her interest in small businesses. It might mean enforcing some existing laws and regulations more stringently.

The Government have made progress on this issue. For instance, they are looking again at the provisions under the vetting and barring scheme. Although there is of course a need to ensure that children are protected from those who use voluntary groups as an opportunity to gain access to children, those rules must be sensible and proportionate and should not hinder the many volunteers who do excellent work in the youth sector.

There is also the Government's recent pledge to put money aside to assist mountain rescue teams, who have to pay VAT on equipment. Again, that is money to allow volunteers the breathing space they need to enable them to be more effective.

Many of us will have received representations from Sue Ryder Care, which is concerned that once services are transferred from the public to the voluntary sector, there will be an increased cost for the charity because it will be unable to reclaim much of the VAT. It has been suggested that section 41 of the Value Added Tax Act 1994 should be amended to include charities providing services transferred to them by the NHS. Another charity in my constituency, the Beacon of Hope, would very much empathise with that call.

There is good news. The big society bank is coming, the funding for which is being provided from dormant bank accounts and as part of Project Merlin. I welcome that.

I end with a request. Much of what this debate is about is already happening in our communities. What I am looking for from the Minister and the proponents of the big society—I rather prefer the word "community", however—is that add-on, that extra. The engagement is there; it needs to be built on.

5.44 pm

Liz Kendall (Leicester West) (Lab): I am grateful to the hon. Member for Dover (Charlie Elphicke) and the Backbench Business Committee for securing this debate. The issue that we are discussing goes to the heart of what I believe politics is about: how to secure a just and fair society, where everyone has the freedom, power and opportunity to fulfil their potential and thrive. There has and always will be a strong strand within the Labour movement that believes that self-help and community action are the foundations of a good society and the route to a good life. During the industrial revolution and earlier, ordinary working people came together to form co-operatives, mutuals and friendly societies. Those organisations were owned and run by their members for the benefit of one another, and were established to protect working people from the consequences not of an overbearing state, but of unfettered markets that treated people as mere commodities to be bought and sold for financial gain. Generations of working people learned to help and develop themselves by taking roles in those organisations. They learned how to read and write by running a trade union branch or got health insurance from friendly societies in case they had an accident at work.

The modern Labour party was born out of those organisations and we then went on to create the welfare state, so that the security, opportunities and other benefits provided by those organisations were made available to all. The values of community, self-help and mutual aid remain strong in the Labour party, as our record of the past 13 years shows. Government-funded programmes such as the new deal for communities have helped to transform the most deprived areas in my constituency, such as Braunstone, by empowering local residents and community groups. Labour councils have opened up local services to the voluntary sector. In Leicester, organisations such as Streetvibe now provide fantastic youth services, which young people themselves help to shape and run. In Rowley Fields, in my constituency, residents who campaigned to save the Manor House community centre are now running and developing community services that better meet local people's needs.

Some of the biggest changes that Labour made were in the NHS. We created foundation trusts and backed pioneering new social enterprises, such as Central Surrey Health, so that local staff, patients and the public can now own and run their local health services. However, we did not just harness the skills of voluntary and community groups to transform public services; we empowered those groups to help change markets, too. For example, we increased support for credit unions and updated their legislation, so that more people on low incomes can now save and get access to affordable loans denied to them by the commercial market.

Those are just a few examples of Labour's good society in action. They show, first, that the state and civil society are not mutually exclusive, but inextricably linked; an enabling state is vital to supporting civil society, and vice versa. Secondly, they show that securing the good society is as much about changing the economy and markets as it is about reforming the state. The Government's big society fails to acknowledge either of those crucial points, which is why it will fail to empower individuals and communities to take control over their own lives.

Let us consider the Government's proposals to encourage more volunteering, which is an important and laudable goal. The real issue is not that people cannot or do not want to volunteer because of work or family constraints; it is that securing the good society requires more than kindness and charity alone. Giving people real power and real control depends on far deeper and more powerful principles and values: solidarity and reciprocity; taking common action to achieve common goals; and knowing that your fellow man will share the burdens as well as benefits that life inevitably brings.

The Government say that the big society is about not only encouraging volunteering, but opening up public services so that the voluntary sector can play a bigger role, but some of their plans are likely to achieve the opposite. The Prime Minister says that the new Work programme will make up to £700 million available to the third sector, but organisations are to be paid only after they have got people into work and kept them there for some time, which will mean that many small and medium-sized charities cannot get involved because they simply do not have the resources necessary to put in this money up front.

I have long championed the idea of giving people more choice and a greater say over their public services. As the former director of the Maternity Alliance charity, I have always thought that different providers have an important role to play in public services, but that must be done within a properly managed system so that the benefits of choice are felt by all, with genuine accountability to users and the public. That is not this Government's approach. They want to drive a full market and full competition approach through the whole public sector, regardless of any evidence about whether competition works in particular fields and without the vital checks, balances and accountability that Labour had in place. That is not the way to improve the quality of our public services or to give users and communities greater control.

Rory Stewart: The hon. Lady has spoken very eloquently about the barriers to volunteerism in relation to resources, and about solidarity, but what about regulation? In my experience, the main barrier that people tend to complain about is that they are prevented by regulation from doing what they want to do, so a lot of this is about clearing regulation out of the way, not about giving people resources.

Liz Kendall: I think that is an important point, but it is not the issue that people in my constituency raise with me about volunteering—it is about whether they have the time and the resources to do it because they have family, caring and work commitments. That might be the hon. Gentleman's experience, but it is not mine.

Whatever the Government's plans for reforming public services, the more immediate and pressing issue is the speed and severity of their public spending cuts. There is no getting away from that. Two weeks ago, in my constituency, I met a whole group of charities, which told me that the cuts threaten their very existence. I am talking about brilliant organisations such as Lighthouse Learning, which has played a huge role in reducing the large number of young people not in education, employment or training in Leicester. The Government say they have recognised this problem and provided transitional funding, but groups in my constituency tell

[Liz Kendall]

me that the funding is available only to charities that are "undergoing change"—for example, merging with others—and not to fund existing work, salaries or rent. If the Government support the voluntary sector so much, why do they refuse to provide transitional funding to continue that work? Unless other funding is found, the very voluntary and community groups that they claim to want to support will have no choice but to close. I do not doubt for a second that Government Members support the voluntary sector and want it to play a bigger role, but their economic policy threatens the existence of many voluntary and community groups because their public spending cuts go too deep and too fast.

Henry Smith (Crawley) (Con): Has the hon. Lady reflected on why the country has an historical high deficit and a difficult financial situation?

Liz Kendall: I am sorry but I did not hear the hon. Gentleman because of comments from my hon. Friends. Will he repeat what he said?

Henry Smith: I am extremely grateful to the hon. Lady for giving way again. Has she reflected on why we are in such a difficult financial predicament? I suggest that it is not just because of the badly regulated banks under the previous Administration.

Liz Kendall: Yes—because of the failings of the market, which is the point I am trying to make. If we want a good society, we have to acknowledge that while there can be problems with an overbearing state, some of the problems created by markets are far greater than those created by the state.

Rehman Chishti: The hon. Lady says the situation is because of the market's failure, but was there not a failure of policy? When this Government came in, one in five 18 to 24-year-olds were unemployed; that was a failure of policy by the previous Government, not of markets.

Liz Kendall: I return to my earlier example about why it is important to support credit unions—some banks were not giving credit, loans or bank accounts to some of the poorest and most deprived people in my constituency. My hon. Friend the hon. Member for Walthamstow (Stella Creasy) has rightly been highlighting the need to take on some of the illegal—and legal—loan sharks who prey on such people, including my constituents. That is down to a failing of the law, yes, but also of markets, and it needs to be tackled.

In conclusion, the Government claim that their big society is about empowering local people, but in reality it is about rolling back the state and using markets alone to drive change in our public services. That will leave too many communities to fend for themselves. That is okay in areas with huge resources and people who have time to volunteer, but in my constituency where people are struggling to find work and get on the housing ladder and have real problems and issues, I do not think that will work. Keir Hardie, the founder of the Labour party, believed that the role of the state should be to enable people to choose the life they want to lead, and that markets should serve the people, not the other way round. He wanted to create a society based on the inherently human values of solidarity and community and not on those of the market or an over-powerful state. Hardie's vision is as relevant today as it was 100 years ago. The Government's big society will not achieve it, but I hope and believe that Labour's good society will.

5.54 pm

Margot James (Stourbridge) (Con): I congratulate my hon. Friend the Member for Dover (Charlie Elphicke) and the Backbench Business Committee on securing this valuable debate.

Let me start by looking at the origins of the Prime Minister's conviction, which is driving the big society forward. It goes back to shortly after he was elected Leader of the Opposition six years ago. At that time, his commitment was very much informed by the work of the current Secretary of State for Work and Pensions and his founding of the Centre for Social Justice. In 2007, the Prime Minister stated clearly that the task of the next Government would be to reverse decades of social decline and that that crisis of social decline was every bit as great as the economic crisis that confronted the new Conservative Government in 1979. It is completely disingenuous of certain sectors of the media and of certain interests to suppose that the big society concept is some sort of cynical cover for spending cuts, and I am glad that some Opposition Members have acknowledged that that is not the case.

The difference between now and 1979 is that this Government confront both a social crisis and an economic crisis, which the Prime Minister probably did not foresee back in 2007. Those two crises are two sides of one coin, and one will not be solved without the other. This country has been living beyond its means for some considerable time—at least a decade. Throughout the boom years, we spent vast and increasing amounts of money on social problems that still persist, such as the 2 million or so people on out-of-work benefits, while new jobs were created but mostly filled by newly arrived immigrants. More and more money was spent on schools every year, but that did not reverse the relative educational decline of Britain compared with other countries.

Why do we have so many problems and what will the big society do to address them? I acknowledge the speech of the hon. Member for Leicester West (Liz Kendall), which was in many ways excellent, and I agree that the state and civil society are inextricably linked. However, I argue that things have got out of kilter and that over the past 10 years there has increasingly been a dominance of the state and a "Government know best" mentality. Let me give a few examples of the adverse effect that that has had. The Criminal Records Bureau is a laudable organisation, but it has become quite extreme in its intervention, affecting people who want to volunteer to drive one another's children around. I am on my third CRB check, and I am just a school governor and a volunteer with an FE college.

Health and safety has got out of control, and I am delighted that the Government are going to tackle the excessive approach that prevents teachers from taking schoolchildren on much-valued trips. The risk of finding oneself on the wrong side of the law for intervening in a street situation is a problem, as is the fact that families are prevented from hiring carers or agency nurses to support their elderly relatives in hospital—I have argued with my hospital in Dudley about that. We have heard the reports about the treatment of older people in our hospitals, and if people want to hire additional support, they should be allowed to do so.

Mel Stride (Central Devon) (Con): My hon. Friend is making a powerful case against health and safety legislation, which many of us know to be extremely onerous. Does she agree that another issue is the no win, no fee legal environment—the compensation culture—in which we operate, which puts an undue cost burden on voluntary organisations seeking to help in their local communities?

Margot James: I thank my hon. Friend for that excellent intervention; I certainly agree. The compensation culture has grown up over many years—to a certain extent, we have imported it from the United States. I hope our Government will address that significant problem.

The bureaucracy of the grant and contracting process at local authority level has put off a number of smaller organisations, which, every year, have to make their case afresh for the same grant or contract for the same service. They cannot get any core funding. We are committed to changing that, and change is long overdue.

Some charities have become overly dependent on the state, particularly at a local level, so that too much of their money comes from local authorities. They almost cease to exist as voluntary bodies, which takes away a great deal from their esprit de corps and the motive that drove their passion in the first place. In many ways, the tail starts wagging the dog. Small voluntary groups are tailoring what they do to meet the criteria of the next grant body that they approach.

Richard Fuller (Bedford) (Con): My hon. Friend is making some good points, including the one about the proportion of income that charities are getting from statutory governmental sources. Should the Government consider stripping the charitable status from organisations that achieve 80% of their funding from the state?

Margot James: I would like to consider that suggestion more fully. It is a laudable one, which would address the problem of over-dependence, although I fear that too great a bureaucracy would be required to oversee such an idea, resulting in two steps forward and one step back.

Liz Kendall: What other sources of income should the voluntary sector turn to, if the hon. Lady believes that it is too reliant on council and central Government funding?

Margot James: There are many voluntary and charitable organisations that derive no income whatever from the state, such as the air ambulance, which one of my hon. Friends mentioned earlier. It raises £48 million a year through a lottery and fundraising volunteers. A dear aunt of mine aged 88 has a standing order for the air ambulance, which is how such organisations get their money. The hospice movement is another case in point. My local hospice, Mary Stevens hospice in Stourbridge, receives only 18% of its funding from the primary care trust and raises the rest of its money itself. I am very much in favour of grants from local authorities. When I was a local councillor, I served on the board of a charity that received virtually all its income from the primary care trust and the local authority, which was detrimental.

Mr Steve Brine (Winchester) (Con) *rose*—

Margot James: I shall make progress, if my hon. Friend does not mind, because I do not think that I will get any more credit on the clock.

Let me make a few points in conclusion. It is the Government's and the public sector's attitude to risk that bedevils many of their good intentions. There is an attitude that risk can be and should be eliminated, and we must get away from that mentality. We have to manage risk, of course, but no Government, private organisation or charitable organisation can eliminate risk completely, and we lose a great deal by trying to do so.

The monopolistic provision of public services will be challenged by the big society. I am delighted to see so many of the Government's proposals coming out now in concrete form. Several hon. Members have mentioned the big society bank. Other proposals include transitional funding for charities facing hardship following a sudden drop in a grant, the training of 20,000 community organisers and the national citizenship scheme for young people, which is a fabulous idea. We have some corporate funding for that, so it does not rely on taxpayers. Leadership and a culture change are needed to encourage more philanthropy.

We must leverage the good will of business. Many large and small businesses have a sense of corporate responsibility, which should be tapped. I am pleased to see that the Secretary of State for Justice is looking at what business can do to rehabilitate and train people in our prison system. There is so much that business can do, as my hon. Friend the Member for Newton Abbot (Anne Marie Morris) has pointed out, and we must not forget that individuals, communities and corporations can all contribute to the big society. I congratulate the Government on getting as far as they have done already with this initiative.

6.5 pm

Yvonne Fovargue (Makerfield) (Lab): I commend the hon. Member for Dover (Charlie Elphicke) and the Backbench Business Committee for initiating the debate.

I shall focus on volunteering, which in many ways is the keystone of the big society. I started my career 25 years ago as a volunteer with the citizens advice bureau. I have to say that I never thought of myself as part of the big society. Indeed, I gained so much from my time as a volunteer and from the support from the paid staff that I wanted to remain in the voluntary sector and work to provide the same service with both volunteers and paid staff. However, in the 23 years that I did that, the demographics of volunteers and the type of support that they needed to enable them to have a positive experience and to be of value to the organisation changed dramatically.

When I began, the majority of volunteers were, to put it kindly, older ladies with time on their hands. They wanted to volunteer for three hours or so a week and

[Yvonne Fovargue]

anticipated remaining with the organisation for quite a long period. The volunteers worked extremely hard and were very dedicated but, as we all know as Members of Parliament, life has become more complicated, the public's expectations of any service have become much greater and family life has changed, causing the pool of volunteers to change, too. People are retiring later, and many women work until retirement age and then want a break or become carers as people live longer. Younger people, particularly women, are returning to work as two incomes are a necessity, and grandparents are pressed into service.

The expectations of services have been raised and volunteers have become younger, more short term and often use volunteering as a route to work. All that increases the need for paid support to ensure that the expectations of clients, volunteers and organisations are met. There are a number of different and diverse volunteering opportunities, and it is important that prospective volunteers are matched with the right organisation that will give value to both the volunteer and organisation. That is why I was appalled to hear that my local council for voluntary services in Wigan has lost £100,000 from the involved scheme, which provides volunteering support and brokerage for 16 to 25-year-olds, and the other non-age specific project performing the same function. This has led to an overall loss of the entire volunteering infrastructure within the borough, which is more important now as the big society is introduced and people are encouraged to volunteer.

People who want to volunteer will now face the choice, as used to happen in the past, of approaching an organisation that they may have heard of, without knowing how suitable that choice is for them and the amount of time that they want to give, or not bothering. If they find a place and discover bad practice, which exists in some voluntary organisations, there will be no one to report it to, to improve the practice and to work with the organisation to ensure that the volunteers are working in a healthy, safe and supportive environment.

I want to speak about that supportive environment. Volunteers give their time freely, but they, in return, can expect adequate training and support for the roles that they take on. A paid employee would not be left to get on with the job, and neither should a volunteer. Particularly in these days, when people of working age are volunteering to improve their CVs, volunteers demand a development plan and ongoing training and support. Volunteers' time is given freely, but the support costs and the money for infrastructure costs is ever more difficult to find. In some cases, I cannot see where they can get it, apart from state bodies.

I turn to the example of citizens advice bureaux. I ran a citizens advice bureau, and we had almost £1 million of funding. One third came from legal aid, about one tenth came from the local authority, and there was primary care trust funding, Government funding to increase face-to-face advice in communities and Government funding from the financial inclusion fund. Citizens advice bureaux do not have popular appeal, however. They are not a "fluffy bunny" charity, so people do not give large amounts to them. Furthermore, volunteer turnover is increasingly rapid, and money needs to be made available to train and replace volunteers as they leave. Any responsible employer has a budget for recruitment and training, and how much more urgent and necessary that is when working with volunteers. I have referred to larger voluntary groups, but even small community voluntary groups need money.

Stubshaw Cross residents association started a teenagers disco when young people who were hanging around the park and causing a bit of trouble said that they had nowhere to go. The association volunteered to staff the sessions for nothing, but it needed access to a small grant to buy some sound equipment, to heat and light the building, to clean it and, as they said, to buy some earplugs. Those young people now run their own disco, with some support, but they still need ongoing funding. Without the support of the local council for voluntary service and the council's funding officer, and without the availability of the small grants pot to help them to look for that funding, the disco would never have happened. Those teenagers would not have been part of the local community, and they would not sit on the residents association as they do now.

The big society is not new, but most of all it is not free. It is a partnership between community and voluntary organisations and the state, and to unbalance one side either by removing state funding or by restricting access to state funding and to grants, is to threaten society. It will leave people disaffected and dissociated. A true big society does not replace the state and public sector jobs; it works together to support and to empower the most vulnerable. To expect volunteers to replace public sector workers is to undervalue both, and it will unravel the fabric of society. It is by working together, with adequate funding, that the two sectors will become more than the sum of their parts.

6.12 pm

Stuart Andrew (Pudsey) (Con): I congratulate hon. Members on securing this debate. I am delighted that we are discussing the big society, because its principles got me where I am today. I relied upon them during my 16-year career in the charity sector.

Much of what is great about this country stems from the social action that the individuals, groups and movements of the past provided. For too many years, however, we have come to rely too much on the state. Too often these days we hear, "The council should do x", or, "Why doesn't the Government do y?" Society has become too small. Instead, we should encourage people and communities to do x and y, where they can, and that is why I fully support the Prime Minister in his desire to make the big society a big part of our political agenda. If nothing else, he has got the whole debate going—one that has been too quiet for too long. As Kennedy famously put it:

> "Ask not what your country can do for you. Ask what you can do for your country."

Those who are cynical and critical of the big society all too often talk about money. Yes, it is important and as a fundraiser I knew that, but the trouble is, as my hon. Friend the Member for Stourbridge (Margot James) said, some charities have become too dependent on a single income stream. That was a dangerous precedent which we in my charity avoided, but I welcome the fact that the Government are providing £100 million to help those charities that might be struggling.

In my job, I realised that the most important and greatest commodity that any charity or organisation can enjoy is people: people caring for the community, being neighbourly and having civic pride. That is all incredibly expensive; indeed, we could not buy it with all the money in the world. Such people inspired me as a young boy on a poor council estate to do my bit, and two individuals spring to mind: Iorwerth Rowlands and Jackie Waddicar. Our estate had little money but bags of spirit, and those two people led it to build the facilities of which others became proud and envious. They did a fantastic job despite the low incomes in the area, and that belies the patronising idea that some communities cannot do so because they are poor.

The hospice movement is an exemplar of the big society, and it was my privilege to work in it for more than 12 years. The movement all started thanks to the inspiration of Dame Cicely Saunders, a person who saw the glaring need to care for people at the end of their lives—and did something about it. Today, we see hospices throughout the country, and remarkably the vast majority are funded thanks to the generosity not of the Government but of the public. Most draw on the considerable help of thousands of volunteers to care for patients in both hospices and our communities. Such community ownership, and the community's relationship with its hospices, mean that people are responsive to patients' needs.

The hospice movement has had many inspirational leaders who have helped it to evolve and develop over the years. Indeed, Sister Frances Dominica recognised the glaring need to help children through the movement. I spent the previous seven years working for Martin House children's hospice in Yorkshire, which cares for more than 300 terminally ill children and more than 100 bereaved families every year, at a cost of more than £4 million. Almost 90% of that money comes from the public, and it is a credit to the good people and businesses of Yorkshire that it keeps coming, even in these most difficult financial times. The care that the hospice provides is second to none, and, as one family said to me, the trouble is that it is the service against which all others are measured, and they can barely catch up. The hospice would of course like more public finance, because nobody would say no to extra money, but too much state involvement would dilute the wonderful facility that is Martin House, and heaven spare it top-down targets from Westminster.

Throughout my career in the charity sector, I saw how the big society is working, but I want to see it become bigger. Many politicos who are sceptical about the big society ask, "What does it mean? What does it stand for?". They want that all-important buzzword to describe it, but they should take it from someone who has spent their working life in it: the big society is so big that no word could possibly do it justice.

6.17 pm

Tristram Hunt (Stoke-on-Trent Central) (Lab): It is a great pleasure and a privilege to follow the hon. Member for Pudsey (Stuart Andrew), and I congratulate the hon. Member for Dover (Charlie Elphicke), who is no longer in his place, on securing this debate. We on the Opposition Benches are enormous fans of the big society, not least because it cost the Conservatives an overall majority at the general election. Well, we thought it did until we saw their friends on the Liberal Benches.

I was happy to put my name to the motion, because, as my hon. Friend the Member for Leicester West (Liz Kendall) suggested, the big society is absolutely fundamental to the Labour vision and to the Labour traditions of mutualism, co-operation and associationalism. However, there is a strong case for saying that we have lost sight of many of those traditions. We lost sight of them in the early 20th century, when we allowed clause IV to be written as it was, and we lost sight of them in the later years of our period in government, when we became over-regulatory and over-zealous in our admiration of the state. The hon. Member for Stourbridge (Margot James) cited some of the Criminal Records Bureau's activities, and that is an example of exactly where we began to go wrong.

As I think about how the Labour party begins to renew itself and ask questions of itself as we prepare for our speedy return to government, I think about our relationship with the big society and the tradition re-emerges.

Mel Stride: Before the hon. Gentleman processes on his speedy return to government, may I ask him something, as someone who has an interest in history and knows that he has an acute interest in history? That aspect of the state crowding out private and mutual endeavour was highlighted by William Beveridge in his report. Does the hon. Gentleman accept that Beveridge would look back now and say that the state had become too big, and that Labour Governments had played their part in that?

Tristram Hunt: I thank the hon. Gentleman for his intervention. That is an acute question. I do not always accept the notion of crowding out, although there are times at which one can point to that.

The Labour tradition, as it has evolved, has sought to create a critical relationship with local government and central Government, and that is the difference between ourselves and Conservative Members. As my hon. Friend the Member for Leicester West suggested, the enabling state is part of the Labour tradition. When we look back to where we have come from, as my hon. Friend the Member for Walthamstow (Stella Creasy) will imminently explain in beautiful prose, we can go right back to the late 18th century to the traditions of Paine and of critiquing the functioning of the market while believing in market principles. This was based on a belief that the state was not always a force for good. As Adam Smith argued, the state in the late 18th century was often a force for arbitrary activities, clamping down on the rights of working people and interfering in proper market practice.

Jesse Norman: I am thrilled by the robustly Conservative —indeed, Burkean—tone of the hon. Gentleman's comments. However, I am interested in his support for Paine. Does he really believe that a person who backed the French revolution and its support for abstract rights over and above the legal privileges of the free-born Englishman deserves his support, and that he can be invoked in the context of the big society?

Tristram Hunt: I thank the hon. Gentleman for his intervention. The wonderful thing about Paine is that he can be invoked on almost any issue, and in this particular seminar we are talking about the associationalist Paine rather than the Jacobin Paine.

[Tristram Hunt]

Another part of the Labour narrative is the Owenite tradition, which was about co-operation rather than competition, and about man's character being formed through his interactions with others rather than through being born with original sin, which was the Conservative position. We can also point to the Liberal tradition of the Rochdale pioneers—this, too, is part of the Labour story of co-operation, self-help, mutualism and self-improvement. We have to ask why these institutions and forms came into being. Why did working people club together in friendly societies, trade unions, burial societies and other associations? It was because of the failings of the mid-Victorian big society—the failings of noblesse oblige, Lady Bountiful, the night watchman state, and the attacks that we still hear today, whether on health and safety or over-regulation. It was a Tory vision which failed for millions of working people, and that is why our tradition of mutualism, associationalism and the big society came into being.

Jesse Norman: I noticed the subtlety with which the hon. Gentleman moved from a critique of Victorian society to a critique of the Victorian state. Can he outline the terms in which the state was able to support the development of these priceless independent institutions which we all now celebrate?

Tristram Hunt: I thank the hon. Gentleman, who is right in one sense: part of the brilliance of the British tradition is our ability to create all sorts of forms of associational activity, be it limited liability companies or co-operatives. However, Labour Members point to our particular tradition of mutualism and associationalism, which comes from a failure of the Tory approach.

I would happily wax lyrical about the Labour tradition for many minutes to come, but I suggest to my hon. Friends that we cannot be too romantic about the past. Many of the worst actors in the recent financial crash were mutual organisations with co-operative governance structures. There is no inherent virtue in these modes of organisation that protects them from the kind of activities that we saw. As my hon. Friend the Member for Dagenham and Rainham (Jon Cruddas) said, we need to think innovatively about how we take these forms into the 21st century. We need to think about tax advantages for employee benefit trusts, the right to request the mutualisation of public services—as well as what that means for pay and conditions—and systems of asset locks. A relevant and credible example of this was announced by Ministers today regarding the future of British Waterways. The Government seem to be heading towards the charitable model, but many Labour Members will think that a co-operative model, with all the differences that that entails, would be the best way. I am more hopeful about the hon. Member for Dover's plans for Dover harbour.

The difference between Labour and the Conservatives as regards the big society is about the history of co-operation with forms of government—first, in the mid-19th century, with local government, again following Tory failures. In Manchester, in Birmingham and across the country, there was a coalition of the associationalist, mutualist tradition and local government. Then, in the early 20th century, when the new Liberals actually believed in progressive politics, it was a coalition with the central state based on the belief in an enabling state and a relationship between forms of civil society and forms of the state. That continues today in relation to the big society and our politics. We believe in a relationship with a progressive, activist, enabling state.

That brings me to the crux of the issue. Various Conservative Members have pooh-poohed us for suggesting that there is an ideological element to the Government's thinking and said that because the Prime Minister wrote an article six years ago in which he might have hinted at some of these ideas, we should think that there is some noble tradition involved. The big society is being used as a vehicle for justifying some of the major cuts and assaults on the state that we are seeing today. As my hon. Friend the Member for Makerfield (Yvonne Fovargue) pointed out, voluntary institutions—the building blocks of civil society and of many of our communities—will be undone by the Government's cuts, which are going too far and too fast. Some of the communities that we represent need capacity building, capability building and investment building. I say that not because, as the hon. Member for Pudsey suggested, we believe that poor people cannot organise themselves, but because we believe in investing in those communities to achieve better outcomes rather than ripping away support for citizens advice bureaux, youth services and all the other developments that are taking place. I took a delegation of organisations from Stoke-on-Trent, including Chepstow House and the citizens advice bureau, to see the Minister, who kindly listened to us as we pointed out the serious troubles that they will face—that the big society will face—as a result of this Government's plans.

There are confusions in the Government's belief in the big society. We are seeing, on the one hand, their ripping away of the capacity building that is necessary, and on the other, as in the case of the NHS and what they tried to do with the Forestry Commission, a neo-liberal belief in the market that has very little to do with an organic state-civil society relationship. The mixed social economy is best, with the virtue of the state and the virtue of civil society building up communities, but also reforming the state and, crucially, reforming markets as well.

6.29 pm

Henry Smith (Crawley) (Con): We live in acute political times. We have a coalition Government for the first time in a generation and, as has been said many times in this Chamber, we have an historically high peacetime deficit. That makes for a somewhat sceptical political environment. I do not necessarily think that that is such a bad thing, as scepticism in our political system has stood this country in very good stead. Right hon. and hon. Members will be well aware that the great British public do not let us get ahead of ourselves too much. That great tradition has served us very well. However, with policy initiatives such as the big society, my concern is that scepticism has become something more destructive—cynicism. That is a great shame.

In our privileged position as key members of our local communities, right hon. and hon. Members from across the House experience the big society in action on almost a daily or certainly a weekly basis. That is my experience in the Crawley constituency. This morning as I was preparing what I would say in the Chamber, I happened to glance at my schedule for the past couple of weeks. Although it did not surprise me, I was struck to see that it was packed with visits to voluntary organisations and community groups, and telephone conversations with the chairs of local action groups. In addition to helping individual constituents, that is the fundamental work of hon. Members.

I will give a few random examples from my diary. Early last week, I met with Jack Doors, a local voluntary organisation in my constituency. It was started by Jackie Rose, who is disabled and has mobility issues. She realised that it was difficult for many disabled people to get out and about. Off her own back, working from her home and using her own resources, she established a group to arrange transport for disabled people so that they could get out on a fortnightly basis to visit the seaside, go to a garden centre, or to have tea or lunch somewhere. That provides a vital link for many people with mobility issues and it has made a huge difference. It is not something that the state did, but something that was done by an individual with passion.

At the other end of the spectrum, my experience of St Catherine's hospice in my constituency echoes what my hon. Friend the Member for Pudsey (Stuart Andrew) said so eloquently about his experience of the hospice sector. It has minimal funding from the state and a great amount of funding and voluntary effort from individuals. With their support, it creates a massive difference for people in my constituency and the surrounding counties.

There are other examples. About a year ago, residents in my local ward were saying on a web-based community discussion forum where I have an e-surgery that the neighbourhood looked a bit unkempt and untidy. Through the online discussion, they organised a community litter pick. We all turned up on a Saturday morning—fortunately it was sunny and dry—with our black bags and the health and safety regalia of high-visibility jackets. For three hours, mums, dads, kids and all members of the community picked up litter, which made a significant difference to the neighbourhood and made it just a bit more of a pleasant place to live.

There are many more examples. I have am proud to have been a governor at three schools. It is important, like other hon. Members, to pay tribute to school governors who work hard—and freely, of course—to create the ethos in our schools and to ensure that those most important of institutions for our young people are successful.

The other weekend, I spoke at the annual general meeting of a gluten free society that was set up in my constituency.

Chris Ruane (Vale of Clwyd) (Lab): Good on you.

Henry Smith: Thank you.

Chris Ruane: I bet its butties were awful.

Henry Smith: Things have moved on a lot in the food available to coeliacs, and a lot of that is due to the work of individuals in the community. That is certainly the case with the Crawley Gluten Free Group, which has come together to make a positive difference to people's lives.

I met another disabled access group and spoke to its users, in particular those with learning difficulties. They have been meeting almost every week for more than 10 years to improve their lives by discussing ideas and common issues and problems.

I contend that the big society is out there and is operating. The trouble is that it has been increasingly stifled by big government. To me, the conclusion seems straightforward. The way in which we can encourage greater services and far wider participation is for big government to become a little smaller and to become an enabling government who create the right environment for the voluntary and community sector to flourish. If the voluntary sector and individual carers who care for elderly relatives and disabled children ceased to exist tomorrow, the state would not be able to provide those services. We all know that that is true. It is important that the state is there. I think that the state is well meaning. I do not believe that it is malicious; just that its bureaucratic nature often makes it inefficient. It therefore often stifles innovation unintentionally.

Margaret Thatcher has been infamously misquoted as saying that there is no such thing as society. I am glad that our current Prime Minister has said that there is such a thing as society, but that it is not the same thing as the state.

Tristram Hunt: I am unclear what the misquotation of Lady Thatcher was.

Henry Smith: What Margaret Thatcher said has been quoted out of context. I am pleased to say that our current Prime Minister very much believes in society. I repeat that it is not the same thing as the state. It is important that we make that distinction.

Damian Collins (Folkestone and Hythe) (Con): I think I am right that the context in which Margaret Thatcher said those words was that one could not talk about society in terms of grand blandishments, but that one could talk about families, communities and people working together—that is not the same as society as a general term.

Henry Smith: My hon. Friend is correct and I am grateful for his intervention.

Finally, I will mention one more group in my constituency that was started by an individual. It is the embodiment of the idea that if people are given hope and opportunity, they will respond with innovation and ideas that make a huge difference to people's lives. Donna Nevill sadly lost her child early in life due to congenital heart failure. As a result, she set up a group that supports parents who are going through bereavement. Those are obviously difficult and traumatic circumstances. I am sorry to say that it happened to me, and I was privileged to be asked to become a patron of the organisation. Donna set it up out of a desire to help other parents who go through this difficult situation. I regret to say that all the obstacles she found came from government—in this case local government. Her leaflets were not displayed in the library until I intervened. The group could not get a meeting room because its availability was made difficult until there was intervention from elected representatives.

[Henry Smith]

I believe that many more such groups will flourish and make a huge difference to people's lives if we let go of power at the centre. I am delighted that the Localism Bill has been designed to do that, and that that is the whole thrust behind this Government.

6.39 pm

Stella Creasy (Walthamstow) (Lab/Co-op): I am delighted to speak in this debate and I am pleased that the hon. Member for Dover (Charlie Elphicke), who unfortunately is not here, secured it.

Many hon. Members have set out the historical traditions behind this debate, but I come at it from a slightly different angle—as a psychologist analysing participation, the proposals that have been put forward for the big society, and the evidence base. From that angle, it seems that we start with a puzzle. In the points put forward by Government Members about the problems that they have experienced with public services and regulation, there is nothing to suggest that the removal of the state and the propagation of the voluntary and private sector will always achieve better results. Nor have we have seen any evidence about what shape the commissioning may take at either local or national level, and who will make the decisions or participate in that process.

Above all, many Labour Members, and I believe some on the Government Benches, wonder how a concern for increasing social activism fits with a Government who want a cut in spending in and of itself. That appears to many of us to be not so much nudging as shoving people into volunteering through a cut in public services, and that is likely only to destroy the social fabric with which we are all concerned. It is not often that I find myself on the same side as Phillip Blond, but we agree that making radical change is hard at the best of times and near impossible at times of extreme austerity.

I come to the big society, then, not with stories of jobsworth local officials or quotations from Burke, or perhaps even Paine, but with a more fundamental problem facing the Government. It is impossible to ally a Conservative ideology—the prejudice that personal liberty and the role of markets are undermined by collective action—with the recognition that when people work together to fund, run or do something, it has the power to change the world.

With that in mind, I wish to set out four problems that I see with the big society, and an alternative proposal based on the principles of fellowship that I see emanating from the left. The four problems are simple. First and foremost, it is a process-focused philosophy, and as such its purpose cannot be set out. Secondly, its shows a misunderstanding of the nature of contemporary voluntary sector organisations. Thirdly, it shows a misunderstanding of the nature of modern communities and communal bonds, and fourthly, it takes no account of the lives that people lead or the willingness of the public to engage.

The question of purpose goes to the heart of political ideologies and public office. The big society, as currently articulated, seems to be very much about processes, not purposes, so it is about the process of volunteering or social action rather than the ideas behind it. Fundamentally, therefore, it cannot tell us what explains or sparks volunteering. A vague sense of shared interest and neighbourliness is not enough to hold and sustain involvement. Anybody who has had neighbours that they have not got on with, or been in voluntary organisations with people to whom they would not necessarily send a Christmas card, can explain that to us.

Jesse Norman: I think that is quite wrong. There is a large literature—I am sure that, as a psychologist, the hon. Lady is aware of it—showing that people are happier and live healthier, more contented, longer lives when they are able to link with other people and exercise compassion. The big society draws on such emotions, and it is simply nonsense to say that there is no substance behind it. Her own discipline contains a vast amount of evidence for it.

Stella Creasy: I appreciate the hon. Gentleman's passion for the subject, but if he lets me continue, he will hear that I am not saying that there is no substance behind it. I am saying that by not setting out the purpose of the big society, the Government leave themselves open to acknowledging a whole range of volunteering activities that they may not want to support. Taken to extremes, for example, the Ku Klux Klan and the English Defence League would be seen as wanting to bring people together for a particular purpose in their local community, but I am sure that none of us would want to promote such organisations and their values.

Jesse Norman: One marvellous thing about the set of ideas behind the big society is precisely that it is not subject to any overwhelming social purpose. A purpose for society, and a plan to put it on a purposeful basis, is a recipe for totalitarianism.

Stella Creasy: The hon. Gentleman and I therefore disagree about the value of purpose. I believe that purpose, and particularly people coming together with a common bond and for a common purpose, is how we get social change to happen. That is where there are disagreements between us about the value of the big society.

Jesse Norman *rose—*

Stella Creasy: I am going to press on, because I do not have much time.

We on the left have always understood that for any organisation to work, it needs a sense of purpose and a common goal. It needs to know what it is trying to achieve, not just how it will try to achieve it. People can then be brought together around that current goal.

That leads me to my second point about why purpose is so important in the big society. It seems to me that in the points that are being made about it, a whole series of objectives are conflated, whether democratic engagement or increasing volunteering. We all understand that volunteering is not the same as voice, but the conflation of more meetings at a local level with encouraging more people to volunteer and looking to commission more within the voluntary sector seems to reflect a lack of purpose.

Richard Fuller *rose—*

Stella Creasy: I am not going to give way, because the clock is ticking. I do apologise.

Either the big society is a programme about the devolution of power, with single, double or treble participation, or it is about encouraging more people to be involved in running services. A lack of purpose comes from not having a mechanism to ensure that the purpose of those processes is fair and balanced. We on these Benches are very clear that all the purposes of Government should be about achieving a more equal, fairer society.

Equally, there is no mechanism in a process-driven purpose for judging value for money. As a member of the Public Accounts Committee, I look forward to seeing some of the reports that will come to us. Above all, there can be no clarity about the tough choices that any Government or any public may have to make about the type of services that they want if there is no sense of what those services are intended to achieve. Why are free schools and encouraging people in the voluntary sector to work together more seen as the same thing? It seems like apples and pears.

That leads me to the second problem with the big society, which is that it does not show an understanding of the voluntary sector as it is currently constructed. The focus on processes obscures as much of the work as it illuminates and shows a misreading of the fact that civil society is intricately connected with the public sector as much as it works with the private sector. Many charities are little different from businesses, as I believe the hon. Member for Stourbridge (Margot James) set out earlier, and many people who work in the public sector do so with an ethos of care and concern for their communities. Taking the argument for reform of the state and using it to call for its abolition like cutting off one's nose to spite one's face.

The history of the co-operative movement proves that. It was set up as a form of protection against the absence of publicly provided services—to fill a gap rather than to replace those services. The modern voluntary sector is intricately interconnected with the state, whether through the funding that it receives or the people with whom it works. The voluntary sector organisations that many Members have mentioned having in their communities will struggle without a sense of purpose to draw people together.

We have to be clear that the voluntary sector in itself is not a panacea. Some voluntary sector organisations work well and others do not work so well, so there needs to be a sense of purpose and a series of tests to set against it. We must also consider the type of volunteering that people are prepared to do. We are seeing a rise in what people call "episodic volunteering", and there are many questions about whether such volunteering can deliver the purported goals of the big society. There are questions about whether there will be the sustained involvement and participation that people wish to see, or whether people will be willing to turn up for a day to volunteer on a stall but not to volunteer in the long term.

That leads me to my third concern about the big society, which is that it shows a misreading of the nature of community. Basing our view of community on the "little platoons" that people are so fond of talking about makes little sense in a contemporary era when we can know and feel the consequences of riots on the streets of Libya, poverty in Asia or earthquakes in New Zealand. Connectedness happens in many different ways around the world, locally, nationally and internationally, and through many different life stages.

I appeal to Conservative Members to learn the lessons that we on these Benches did about the danger of reading too much into communitarianism and the work of Etzioni. I found it fascinating to find out over the weekend that Robert Putnam and Colonel Gaddafi had once met to talk about whether there was a connection between "The Green Book" and social capital.

If we are to secure change in contemporary society, we need a better way of understanding how and why people connect. We also need a better reading of how and why people are connecting in their current societies, given that nearly 40% of people already currently volunteer through formal organisations and a further 56% volunteer in informal ways. The idea that Britain is broken or a nation of people who are alienated from their communities is simply not true. Furthermore, there is a danger in forcing our vision of what community looks like on communities that may have many social networks but are not connected to the public sector. The big society needs a better analysis of the nature of community and community bonds than it currently offers.

That leads to my fourth concern about the big society, which is that it does not show an understanding of the resources that communities have to give to volunteering and public service. We can learn not least from the experience of the big society ambassador himself, who found that he did not have the time to be involved in the way that he wished to be.

Anyone who has worked in the voluntary sector knows that time, money and confidence are critical factors in securing the contribution that anybody can make. The big society needs a better articulation of how that time, money and confidence will be shared out more equitably among society, so that we can unlock the potential that many people have. Asking people to do so much in such a short period does not allow for the time and effort that is required to allow that potential to grow.

I urge Members to look again at a case such as Porto Alegre and see that it took 20 years for people to be involved in the delivery of public services in Brazil in the way that many now want here. Perhaps they should learn from New Harmony, a colony set up by Robert Owen in Indiana that for 20 years developed libraries, community centres and hospitals, and then fell apart because all the people involved decided that they hated each other. That is the reality of trying to get people to work together—it is complex, messy and difficult, and without a sense of purpose it is destined to fail.

That is why I urge the hon. Member for Hereford and South Herefordshire (Jesse Norman) to read a little less Burke and a little more William Morris, who understood that fellowship is life and a lack of fellowship is death. We on the left understand from Morris's work that fellowship was about not just asking people to work together but about the conditions under which they worked. He understood the tyranny of inequality and the ability to bring people together to work in co-ops.

I also encourage the hon. Gentleman to read Tawney, who talked about fellowship being expressed not only through relationships between people but through institutions. We see the national health service as the best social insurance policy that the nation can have, and we work together at many different levels to achieve such goals. We look to the purpose first, and then to the different models for delivering it, rather than starting

[Stella Creasy]

with the process of volunteering and asking what it can do. I hope that in this short time I have set out some alternative suggestions, and I would be happy to discuss the matter further.

6.49 pm

Jessica Lee (Erewash) (Con): I, too, congratulate my hon. Friend the Member for Dover (Charlie Elphicke) and others on securing this important debate.

I disagree with a number of the conclusions of the hon. Member for Walthamstow (Stella Creasy), although it is with a little apprehension that one follows the speech of a psychologist—I am a little nervous of any analysis she would offer me. I should, however, pick up on one of the hon. Lady's points. She said she was concerned that there is no clear definition of the big society. I do not need a clear definition. I want people to be aware of the big society, and I want it to work, which brings us to some of the fundamental philosophical and political differences that have been aired this evening. I do not need strict rules and regulations, or to compel people or boss them about. I want to make people aware of what is important to the Government and to me, which is how we go about making our society bigger and better.

Human rights have been much talked about recently, but another issue that arises from the debate is responsibility, which is just as important. Inspiring young people to take responsibility for their actions and to contribute in the widest possible sense to our community is rewarding for them, gives them a broader outlook and helps with their self-esteem and confidence. The big society is therefore relevant to young people and we should make them aware of what they can give back.

Many hon. Members have volunteered in various capacities for many years. I started my volunteering when I was still at school, which was an extremely rewarding experience. It does not matter whether someone helps out at the local school or visits elderly people; what matters is that people participate and contribute, because that gives them a wider perspective of their local community.

I have some varied examples from my constituency of the big society contributing to my community. In Stanton-by-Dale, sadly, the post office was closed three or four years ago, but it is now a thriving café and shop. Immediately after the closure, the local community and local volunteers rallied around. The village needed such a local resource, without which pensioners, for example, would need to take two buses to collect their pensions. We needed something local to support people, and that is a brilliant example of what the big society means to me.

A slightly different example is the local football club in Ilkeston. Sadly, it ran out of money last year and a new buyer had to be found. The local community got together to put in a bid to create a supporters co-operative club. That immediately took root and grew organically into a successful local campaign. Ultimately, it was not successful in its bid to buy the club, but it brought the community together. Since that time, the new owners of the club, who are off to a really good start, have done their best to embrace the supporters and the community to ensure that they are a central part of the new club structure. Everybody is relatively happy at the moment. The supporters co-operative may not have won in their bid, but they raised the issue and kept the community together. That is a success story.

Church and faith groups do so much valuable work in our community, including St Laurence's church in Erewash. Arena church in Ilkeston does absolutely brilliant outreach and support work for vulnerable young people. It creates a safe environment where they can go and chat and do whatever they want, such as listen to music and so on. The beauty of that structure for helping young people is that it came almost from nowhere, and evolved organically rather than from outside pressure, which is probably why it is so successful.

Few hon. Members have mentioned the difference between the voluntary sector and volunteering, but there is a difference between the many individuals who volunteer and the voluntary sector, which is a valuable sector in its own right. A couple of years ago, I was a very small cog in a large wheel at the Centre for Social Justice, where I did some research into family breakdown and the voluntary sector. I met people from a range of fantastic organisations, from national organisations that work hand in hand with statutory organisations and social services to provide top-level professional child protection support, right down to a small, strong local group in south London that supports Muslim women victims of domestic violence. That organisation was set up by an amazing lady who, in the classic scenario, was sitting in her front room, thinking about how she could help her local community. She knew, as a Muslim woman, that she had the power and the strength to communicate most effectively, so she set up her organisation, which flourished.

One theme that united the large charity and the small local charities was their concern about the time it took to apply for funds, and the overwhelming amount of bureaucracy and paperwork. Both large and small organisations struggled with that, because the volunteer and staff time that was taken up to deal with it was disproportionate. Will the Government consider how to reduce the time scale for applications and—bluntly—produce some shorter forms?

Finally, we also need to look at the time it takes to go through Criminal Records Bureau vetting and barring checks to encourage people to get involved. If we can encourage people to volunteer, we will all benefit.

6.57 pm

Mrs Jenny Chapman (Darlington) (Lab): It is a great privilege to contribute to this evening's seminar on the big society. I find myself rather under-prepared intellectually given the marvellous speeches from my hon. Friends the Members for Stoke-on-Trent Central (Tristram Hunt) and for Walthamstow (Stella Creasy). I look at the big society and find myself wondering what is not to love. Anyone who puts themselves forward for election is saying to the people who live around them that they want to do something for them. In some part, there is—or should be—a strong altruistic motive.

There are many projects in Darlington that will now no doubt be described as big society projects on every funding application. As a local councillor, I was often asked to look at funding applications from local groups.

We would see, "This is an example of partnership" absolutely everywhere on such applications, and now I expect that people will say that their project is "big society".

About three or four years ago, I was involved with one such initiative. A young lady called Ashleigh Trevarrow, a keen music fan, turned up at a local music venue, which incidentally is a social enterprise, but was turned away because she was only 16—people had to be over 18 because there was a licensed bar. She decided that she wanted to find somewhere to put on live music nights for young people. It would offer a safe environment. There would be an alcohol-free bar and it would all be run by young people for young people. One cannot get more big society than that. She found that what was needed was the co-operation of the local council, of a local business that would be prepared to host the evenings, and of the parents of the young people. That took some months. A lot of fundraising, co-operation and support from the local youth service were needed to enable her to achieve that. I am certain, and I think that she will agree with this, that that could not have been done without the support of the local council.

The issue with the big society is that some people see it as a national joke. I am a fan, but there is a difference between what the Government are saying and what they are actually doing. I took a delegation of people from the voluntary sector to meet the Minister, who is well regarded by them, but if one spent an hour in the company of some chief executives and chairs of voluntary community organisations from Darlington, one would be left in no doubt about some of their doubts about what the big society can achieve. In some ways, the voluntary sector in Darlington feels that it has been led a merry dance, because we have gone from a year ago, when we were told that we had a broken society, to now, when we are told that we have a big society. People in that sector are looking at their own situations, their volunteers and their budgets. They are trying to plan for the next year or two and they see not a world full of fresh opportunity but a world full of fear and threat. That is the big problem. There is a difference between telling people that we want them to take part and engage in the big society, as we all do, and showing them through our actions how they are able to do that.

Two weeks ago in Darlington, the best of Darlington awards were held. I can recommend such an event to anyone. The business community, the voluntary sector and residents come together. Nominations are taken and we have a wonderful evening of fellowship. We are able to celebrate community work in our town. This year's winner of the Darlington citizen of the year—

Chris Ruane: Jenny Chapman.

Mrs Chapman: I can only dream. The winner this year of the Darlington citizen of the year award was Gordon Pybus. He is one of those tremendous people of whom I am sure there are examples up and down the country, including in Surrey. He is a real community champion; he has worked for years championing the needs of disabled people in the town. He heads the Darlington Association on Disability and works with local businesses to improve access for disabled people. He does advisory work and, if he has not been before a Select Committee before, he should have been.

One of the major funders of the association is Darlington borough council. It gives Gordon long-term contracts and spends about £5 million a year in the voluntary sector. We are hearing from Gordon and other voluntary sector representatives that there is a big threat to their organisations because of the cuts to the budgets of local government by the Secretary of State for Communities and Local Government. There is a perception out there that the Minister here today understands very well the needs of the voluntary sector, and I am sure that that is true, but that that understanding does not permeate the whole of Government. That is one of the big problems. When we have a Government who want to sell off the forests and then say that we have a big society, we can understand the cynicism that exists in some communities.

There is another example in Darlington of how success can come from a failure such as the proposal to sell off the forests. It is the community cohesion that we have built around a campaign against a local skip hire company that, in the minds of residents, and I agree with them, has been committing environmental crimes at an estate in Darlington. The group has come together, meets regularly and campaigns to prevent some of the worst abuses of the local environment by that company. That group, without any funding, which is obviously seen as a bad thing by certain Conservative Members, comes together, complains together and will be a real champion of its local area. I say to the Government that it is great to have this big society idea. We all support that, but we do not want the Government to say one thing and then do another.

7.5 pm

Jesse Norman (Hereford and South Herefordshire) (Con): I am fortunate indeed to live in Herefordshire, which is the very model of the big society in action. I congratulate colleagues on both sides of the House on sponsoring this important debate. I agree with the insight of the hon. Member for Darlington (Mrs Chapman) that we are all motivated by a sense of public duty, and it is on that ethos of public duty that the big society seeks to draw.

I remind the House of something that is easy to forget. The big society is the most important idea in British politics for a generation. It is not like the so-called third way, as was acknowledged by the hon. Member for Newport West (Paul Flynn). The third way was a piece of triangulation designed to allow Mr Blair to have his political cake and eat it. This, however, is a fundamental rethinking that tries to lay the groundwork for our social and economic renewal as a nation. As such, its natural span is not over days and weeks, but years and perhaps even decades.

The Labour party helped to dig the huge hole of indebtedness that this country now finds itself in. It is a great shame that it is now trying to use the present economic crisis to take cheap political shots at the idea of the big society itself. This is an idea which it should support, not disparage—many Labour Members have already shown that, in some cases, it supports the idea.

At its deepest, the big society seeks to correct some glaring flaws in our most basic political assumptions. Ever since Hobbes 350 years ago, we have been taught to think of politics in terms of just the state and the individual; to see individuals as basically self-interested and financially driven; and to ignore the independent

[Jesse Norman]

institutions that populate our lives and give them point and purpose. Those assumptions have been the basic drivers of Government policy for the 20th century.

The big society rejects those dogmas. Its focus is precisely on what they leave out: first, the value of free institutions, from the family to the school to the village pub, the city and the nation state; and secondly, a generous conception of human beings as social animals seeking to express their capabilities and to trust and to link with others. That is why volunteering, for all its value, is just one part of a far bigger picture.

Tristram Hunt: Does the hon. Gentleman have any sense that he is slightly over-selling this particular project? He talks about Hobbes casting a shadow for 300 years, but the trade union movement, associationalism and mutualism—all those elements of human capacity—have been a part of the Labour tradition for the past 200 years.

Jesse Norman: I think that those elements have been in British society for 200 years, but they have been very far from the ethos of the Labour party, as I will shortly demonstrate.

The big society is not itself either a left or right-wing idea. For one thing, it contains a deep critique of the market fundamentalism of the past three decades, and the past decade in particular—the idea that free markets by themselves are the solution to all of life's ills. But, crucially, it also repudiates, as William Morris himself would have repudiated, the state-first Fabianism of the modern Labour party.

I am not an enormously ideological person, as the House will know, but I will waive my scruples in this particular case. In 1900, the political left was a teeming mass of different political traditions, encompassing guild socialism, religious non-conformism, civil dissent and suffragism, many shades of Marxism and communism, and mutuals, co-operatives and unions. There was no reason why that astonishing plurality had to yield a political party which for over 60 years has emphasised centralised state provision of public services above all else. On this point, I agree with the fragrant hon. Member for Stoke-on-Trent Central (Tristram Hunt). [HON. MEMBERS: "Fragrant?"] I use the word advisedly. That happenstance was the result of an intellectual takeover of the Labour party by Fabianism—the doctrine that intellectuals can make over society according to scientific principles using the spending and legislative powers of the state. Labour's Fabian leadership—let us not forget that every Labour Prime Minister has been a Fabian—quickly made common cause with the unions, and that trend has worsened.

Under its present leader, Labour is even more in thrall to the unions than it was then, with £9 out of every £10 coming from union support, which effectively sets a massive dilemma for the Opposition. On the one hand, their leader can stay within the Labour comfort zone, and remain the darling of the unions and of the left of his party, trying to use the economic recession to political effect like the shadow Chancellor.

Tristram Hunt: Will the hon. Gentleman give way?

Jesse Norman: Yes of course. *[Interruption.]*

Tristram Hunt: I apologise for my colleagues. During his wonderful speech, is the hon. Gentleman at some point going to tease out his pre-history in Barclays bank and the role of market fundamentalism in driving us to the crisis and hence the cuts and hence the veneer of the big society.

Jesse Norman: That point is ad hominem, but I am delighted to do so. I went to Barclays having run a charity in eastern Europe during the communist period giving away educational materials and medical textbooks to hospitals. I joined Barclays to work in eastern Europe, and I did so.

As I have said, the Labour leader can try to use the economic effect like the shadow Chancellor, who has attempted to rewrite the history of the deficit and his own role in it. The trouble, as we know, is that that is not a credible position, and the public know it. Alternatively, the Labour leader can reach out and seek to build a political coalition, as Blair did before him. He will know that a purely sectional appeal has cost the left roughly seven years in government since Labour became the official Opposition in 1922, but that more ambitious approach carries its own risks: it requires a more nuanced approach to the economy; it requires him to face down the unions, as Blair did over clause 4; and it requires Labour to rediscover its older, non-Fabian traditions—the traditions of Morris, Robert Owen and many of the people who have been mentioned today—and make them live again in its policies.

Which alternative is it to be? The truth is that the Leader of the Opposition is a little confused. In November, he said that Labour must reclaim the "big society" concept, and he made that the task of a major policy review. Just this month, however, he said that the idea is doomed, so we must ask whether he will recall his policy folk as a result. Must his squadrons of wonks return to barracks? What is his policy review to do, if the big society is, as he suggests, both doomed and a concept that Labour must reclaim.

In fact, the Leader of the Opposition was closest to the truth in his speech to the Labour party conference last year, when, under the influence of Lord Glasman and perhaps the hon. Member for Dagenham and Rainham (Jon Cruddas), he said:

> "I believe profoundly that government must play its part in creating the good society. But our new generation also knows that government can itself become just such a vested interest. That unless reformed, unless accountable, unless responsive, government can impede the good society."

His union backers may wish to look again at those words. Accountable, responsive government—government which is not a vested interest or an impediment to society. I congratulate the Labour leader on those remarks, which were spoken like a true Conservative.

7.13 pm

Mr William Bain (Glasgow North East) (Lab): It is a pleasure, Madam Deputy Speaker, to be called to speak. I congratulate the hon. Member for Dover (Charlie Elphicke) on securing the support of the Backbench Business Committee for this debate. It is a pleasure, too, to follow the hon. Member for Hereford and South Herefordshire (Jesse Norman), whose book I enjoyed reading in preparing for this debate. I am afraid that I would be accused of misleading the House if I said that I enjoyed his speech just a little less than I did his prose over the weekend, but he made an interesting contribution.

There is a degree of consensus across the House that increasing levels of social capital in our communities should be a Government priority. There is also a sense, I detect, of shared purpose that local communities should be involved in the design of public services, where possible. Similarly, it is recognised that social change is best fought for and achieved from the grass roots up. The campaigns led by women for the right to vote and by trades unions for better employment rights and welfare at work are powerful historical examples. In the US, from the 1950s onwards, Saul Alinsky developed community organisation projects that delivered radical social change in excluded communities.

There is vast gulf between the Government and the Opposition about the means to achieve improvements in social empowerment, and huge uncertainty as to whether the Government view that in the context of greater equality and liberty, as we do, or simply seek to share the responsibility for the Chancellor's excessive and overly hasty cuts in public expenditure. The Opposition note the progress made by Government Members in acknowledging that there is indeed such a thing as society, but the execution of the concept of the big society risks being characterised by incoherence and confusion at its core.

Social action plays a crucial role in generating social justice in my constituency. People in Glasgow North East are not mere collections of individuals co-existing by chance in a state of mutual indifference; they live in vibrant communities with shared ambitions to improve their environment and schools and to care for the most vulnerable and disadvantaged, and they are prepared to work together to achieve those aims. I urge hon. Members to consider the work of these organisations: the disability community in Possilpark, one of the most deprived places in the country, provides meals, social interaction, and shared activities for disabled people in north Glasgow; Royston Youth Action works to reduce the impact of territorial gang disorder and the lack of organised social activities for young people in Royston, Germiston and Provanmill; the Alive and Kicking project in Balornock provides advice, activities and low-cost meals for the elderly; and the integration network in Petershill and Sighthill gives the many asylum seekers in Glasgow North East the opportunity to train for new skills, if they are awarded refugee status and are permitted to work in the United Kingdom. Those are examples of people coming together to organise day trips or social activities that they simply could not afford, if they had to do it alone. As Robert Putnam, a strong supporter of the theory of social capital, might have put it, it is about people choosing to bowl together, rather than bowling alone.

What all those great voluntary organisations have in common is the requirement for a willing partner in government at all levels, whether at local, devolved, or national levels. They have all received funding and support from the state over the past decade. Social action groups in Glasgow North East and across the country need a hand up, rather than a handout, but the Government's approach on the economy and on funding for local and devolved government threatens to snatch away this helping hand just when it is most needed. Voluntary groups are being hurt by the pressure on costs from the hike in VAT to 20% from 4 January this year, and the uncertainty over the continuation of local government support. Charities are also suffering through the £3 billion in cuts to be imposed over the period of the comprehensive spending review.

The previous Government had a good record in supporting the third or voluntary sector. Funding to the sector more than doubled from £5.5 billion in 1997 to £12 billion in 2009. At the end of 2010, there were approximately 62,000 social enterprises in the UK contributing at least £24 billion to the economy. Some of the initiatives pursued by the Government originate in the plans of the previous Government, including social investment bonds and the social investment bank. The *Financial Times* leader asked on 10 February:

> "But can these new forms of investment, and the Big Society Bank, possibly plug the gaping holes left by the spending cuts? In the short term, absolutely not."

Where the Government's vision is limited is in its refusal to challenge some of the real inequalities of power and wealth that persist in the country today.

There seems to be little appetite on the part of the Government to respond meaningfully to many of the grass-roots campaigns supported by thousands of people in the past few months. Let us take the issue of capping the total costs of credit to end the abuse of high-cost, short-term credit faced by the poorest in our society, which is an approach championed by my hon. Friend the Member for Walthamstow (Stella Creasy), or even the fairer taxation of bonuses paid to highly paid employees in the banking sector. Both are policy areas where a genuine redistribution of power to people would see government action follow social action.

The Government's version of the big society sees no role for communities seeking to organise to challenge concentrations of power where people believe that markets should better serve them, not the other way around. The rhetoric of the big society is indeed ambitious, but the scope of its vision in reality is disappointingly small. What the country needs is a strategy to deal with the unacceptable levels of social disengagement and inequality of wealth, opportunity and power that still scar our society. That is the essence of the good society. Failure to tackle these issues will mean that the Government will fail in their ambition to create a society with more liberty and more equality—the two concepts are inextricably linked. If the Conservative party cannot meet these challenges, Opposition Members will make it their task to do so in the months and years ahead.

7.21 pm

Charlotte Leslie (Bristol North West) (Con): It is a pleasure to follow the great contributions that have been made, particularly the one by my hon. Friend the Member for Hereford and South Herefordshire (Jesse Norman), who provided a fantastic intellectual framework for the concept of the big society. If I can add anything to it, I hope to illustrate what that intellectual framework means on the ground for all our constituents outside these walls. He hit on the heart of a debate that is not new in this Chamber: the relationship between the state and the individual and society. Because "the big society" is a new phrase, people expect to see a new thing, but of course it is not new; the big society has been going on for as long as this country has been great—indeed, it is

[Charlotte Leslie]

what made this country great. I cannot pass from that point without mentioning amateur sports clubs and other things that often go unmentioned in the big society debate.

A great man posed the question:

> "Ask not what your country can do for you, but what you can do for your country".

Of course, that is already happening, but it is not wrong to say that although the big society is already very much in place in this country, it is possible to detect a shift in which people are beginning to ask less what they can do for their country and are more inclined to ask what their country can do for them. This is interesting, because the population of our great country has not changed. It is not the people who have changed, but the circumstances around, and it is important that we look at those circumstances to see what has brought about this shift—a shift that becomes very apparent if we talk to the older generation. Many people express it to me in terms of the shift from responsibilities to rights, and from a view that sees rights as the product of collective responsibility first, towards one that sees rights as a concept somehow dislocated from anything else. That is very interesting.

If the big society had another name, it might be "power to the people". This concept of empowerment hits very much on the question of why there might be a shift towards a concept of rights, and away from one of responsibility and the question of what we ourselves can do. No one can be a candidate in a marginal seat—or any seat—and not find multitudes of situations in which normal people want to do normal, neighbourly, everyday things, but find themselves unable to do them because of a piece of well-meaning legislation—often vetting and barring legislation or something like it.

When someone who wants to do something good, such as driving their elderly neighbours to the next nearest post office because their previous one was shut down or helping a child who has fallen over in the street but worrying that it might be misinterpreted and so cannot do so, there are two reactions. The first is disbelief: they say, "This is nuts. In what way is this common sense?" The second reaction, when they find that they still cannot do the intuitive thing, is despair: "If I cannot do this, because I need to go through endless paperwork and CRB checks, what is the point in even caring?" When people get to the point of asking, "What's the point of even caring?", we realise why the concept of taking responsibility begins to mean less. What is the point of trying to take responsibility, if at every point there are small well-meaning reasons why we cannot? I am beginning to see a fundamental shift in this country, and it is fundamental to who we are.

On that note, I would like to bust a few myths that perhaps divide the Chamber on this issue—an issue on which we are very much of the same heart in a lot of ways. The first myth is that people do not want to get involved. One Opposition Member said that we would need a stick to get people volunteering. Well, people want to volunteer, whether formally or informally, but too often, instead of saying, "We're going to help you", the state, however well meaning it might be, puts up barriers. The second myth is that people are not competent. I have been involved in a free school bid in my constituency, and I heard all the criticisms from people saying, "We can't have parents running schools. They're not going to know how to do it." But I have news. Those parents are absolutely capable of organising the set-up of the school. Of course they are not going to run it or teach, but over the time they have been involved, they have developed and proved that, if we trust people, my goodness they are more than capable of reciprocating that trust and delivering.

The idea of the big society matters for another reason. The very fact that cuts have been brought into this debate illustrates how dependent on public funding the idea of civil society and normal people doing good things has become. I know that we had a Prime Minister and Chancellor who perhaps honestly believed that he had abolished boom and bust. Of course, if we believe that we have abolished boom and bust, it makes no sense not to hose out public money to every good cause that in an ideal world we would like to, but the fact is that the economic cycle carries on, and there is boom and bust. We need to change dramatically the balance in our voluntary sector to ensure that it is safeguarded against what will inevitably always be a turbulent economic cycle.

Two things that I have come across in the past couple of months have given me great cause for concern. The first was when I was talking to some providers of youth services—in many areas, they do a fantastic job—about the inevitable lack of public funds. While we were discussing how they might get around this, I mentioned something that I had done in my constituency when a group had wanted to set up street dancing classes but the money was not available. Part of the youth activity of the street dancing group was raising the money themselves, and I mentioned this to the providers. They said, "Oh yes, we give our young people an identity and control over their activities by letting them decide how the grant is spent." I said, "No, that's not the point. That is not making the money; it's spending someone else's money." It was that fundamental conceptual barrier that gave me cause for great concern.

Charlie Elphicke: Does that not exactly highlight the need to encourage people to take charge, to raise money, and to not be so dependent on public money being handed out to them?

Charlotte Leslie: Very much so. I thank my hon. Friend for that point. A belief has grown up that there is no money except state money. Were there limitless state money, that would not matter, but as we can see, state money is limited. A Government organisation that I will not name, but which does fantastic work, came to me and said, "We are very concerned about the cuts. We won't be able to carry on." I am no genius on this front, but in the half-hour meeting that we had, I suggested four ways in which it could seek alternative funds. They might not have been very good ways and they might not have worked, but I said, "Have you thought of these ways?", and they said, "Oh no, we hadn't thought of anything like that." That to me was a great signal for concern.

Finally, this debate matters because we need the state to do what it has to do. The big state, small state debate sometimes misses the point. I want a competent state that is strong where we really need it, not a panicking, out-of-control, flabby state that interferes in areas that it should not be in at all because it is worried about how things are going and does not have control. Where people have been victims of crime, for instance, I want to see a strong state to ensure that they are looked after properly.

T. S. Eliot defined the difference between the views of those on either side of this House when he warned against people who talked about

"devising systems so perfect that nobody needs to be good."

I am a Conservative because I believe in devising systems that are so perfect that they enable people to be good.

7.30 pm

Chris Ruane (Vale of Clwyd) (Lab): I welcome the Parliamentary Secretary, Cabinet Office, the hon. Member for Ruislip, Northwood and Pinner (Mr Hurd), his party and his Government to the big society, which is something that we on this side of the House have been involved in since birth. It was what brought many of us into politics. Reference has been made by Members on both sides to Burke, Paine and Hobbes as the people who invented the big society, but it goes back a long way beyond them. It goes back to the time when man was a hunter-gatherer on the plains, when co-operation, camaraderie and esprit de corps mattered because people's lives depended on them. This was reflected in all the great religions. Christians, Buddhists, Jews, Muslims, Hindus and Sikhs all make reference to the concept. They all declare that there is such a thing as society, that the worship of mammon works against society, that we are our brother's keeper, and that we should do unto others as we would have done unto ourselves.

The Prime Minister had a Damascene conversion five years ago, and I welcome that if it was a true conversion. If, however, it was about countering the Tory dictum that there is no such thing society, about domesticating the rabid right of his party for the purpose of electoral gain, or about airbrushing his party's past, it will not wash. The Conservatives' philosophy in the 1980s was that greed was good, that unemployment was "a price worth paying", and that people should get on their bikes when they became unemployed. Many people on this side of the House, and in the community and voluntary sector, find it hard to believe that they honestly believe in the big society.

We remember the Conservatives' record of voting against measures to promote unity, cohesion, equality and inclusion. Many of them might have changed their position over the past 10 years. Let us take the issue of gay rights. Where did the Conservatives stand on that, 10 or 15 years ago? I do not think that there are any Conservative Members here tonight who voted against that measure; those here now are mainly new Members. Where were the Conservatives on the issue of the minimum wage? Where were they on the issue of help for the most persecuted and the poorest in society? The Conservatives coined the term "broken society". We remember Lilley's list, and his singing and vilifying single mothers. We remember the damage done to mining, to the steel industry and to inner city communities. We remember hooray Henrys awash with money and champagne stepping over the homeless in the west end. That is the historical perspective.

I shall turn now to the present big society. The Minister's Department has made a number of big mistakes in introducing the concept of the big society. The first was the terminology that it used. The term "big society" does not resonate with the person on the street. People do not live in a society; they live in a community. Perhaps the Conservatives used the term "big society" because it had some resonance with the term "broken society". Perhaps they thought that the big society could heal the broken society. It sounds so simple and easy, but it is so trite.

The Department's second mistake involves the need to apologise for past actions and show a little contrition. It was the Conservatives who broke society in the 1980s. It was they who increased inequality and gave the green light to greed. It was they who denied the very existence of society. I shall give the House an example. The story from the holy book of the Good Samaritan was perverted when Mrs Thatcher said that it was not about being good but about being rich. She suggested that if the Good Samaritan had not had the money to pay the innkeeper, the poor man would have died. That totally misses the point.

The Government's third mistake was to party politicise this agenda without even having the support of their own Back Benchers. Where are their big beasts? I do not want to disparage anyone sitting on the Government Benches tonight, but they are all newcomers. Where are the big beasts? Many of them do not support this agenda.

Stephen Pound (Ealing North) (Lab): They are having several suppers.

Chris Ruane: Indeed—*[Interruption.]* Ah, I see a big beast there.

Stephen Pound: The hon. Member for Colchester (Bob Russell) is more beast than big.

Chris Ruane: He is indeed.

The Government are presenting the big society as a simple solution to a highly complex issue. There are big issues out there around which we can build consensus. It can be built around defence, for example, or around Northern Ireland or Iraq. Those issues can be depoliticised. Another example is pensions. We all came together over pensions, except that the consensus was broken by the Conservatives just before the election when they tried to make party political points on the matter. There was also consensus on the constitution in Scotland, when we had the convention.

That is how this important issue should have been approached. It is probably the biggest issue that western society will face this century. The fact is that, across the western world, we are atomised and alienated. There are many theories to explain that. They have been put forward in cogent arguments with statistics to back them up. Oliver James, in his book "Affluenza", traces the cause of the problem to advertising and the promotion of an ideal that we can never attain. When we get on to the treadmill of trying to attain it, we lose our sense of direction; we lose contact with our families and communities as everything becomes about ourselves.

Robert Putnam's fantastic book, "Bowling Alone", identifies television as one of the biggest reasons for the problem. He found that an individual today spends more time in front of his TV than he spends at work.

[Chris Ruane]

That has consequences for the amount of time he can allocate to his community, to his family and to society. Wilkinson and Pickett's book traces the causes of the present situation back to inequality, which increased rapidly in the 1980s. Are we going to be able to get on top of the issues of advertising, TV and inequality without coming together? The Government think that they have come up with a great idea, but we have known about it for thousands of years. They have party politicised it.

The Government's fourth mistake was to introduce this idea at the wrong time, when they knew that they were going to make cuts. Some of those cuts are necessary, but many of them are ideological. The budget for the voluntary sector last year was £36 billion, of which £6 billion came from local authorities alone. Labour doubled the amount going to the voluntary sector over 13 years. If the present Government are going to cut that budget and make voluntary sector workers unemployed, they are not going to win the argument with the Churches, with the trade unions, with the community and voluntary sector or with the Labour party. They need to build consensus.

7.37 pm

Damian Collins (Folkestone and Hythe) (Con): So far in this debate, we have heard Government Members give a huge list of examples of people's personal experiences of how they have seen the big society work and the difference that it makes to their communities. I might be exaggerating slightly, but it seems that what we have heard from the Opposition is the theory that we have made the big society up or that, if it already existed, it was created by 19th-century socialist thinkers. Alternatively, Opposition Members seemed to suggest that it could survive only if it were funded by huge amounts of public subsidy, and that the argument that rules, regulations and bureaucracy get in the way of the big society does not exist.

I believe that the situation is much simpler. I believe that communities sometimes come together to act to improve their lives, and that they are better at doing that, because they understand the problems more acutely, than any Government could ever be. The role of the Government should be to support those communities in taking those actions, to give them a framework in which they can take them, and sometimes to give them some financial support so that they can deliver them.

When I think of the big society, I think of a number of people and organisations. First, I think of my grandfather, Tyrell Barnes, who worked for 50 years as a toolmaker at the Pianoforte Supplies factory in Roade, Northamptonshire. In 1963, he and a group of his fellow villagers came together to form the Roade and Quinton Old Folks Fund, which raised money for the elderly and for pensioners in that community. The fund provided a free annual holiday to give the old folks a break, as well as a hamper of goods at Christmas. The fund continues to this day, and it has helped many hundreds of people. In my grandparents' case, they went from first being involved in the fund, through selling the Tote tickets door to door to raise money for it, to benefiting from it themselves.

I can think of a project in my own village of Elham. Play for Elham is a group that was set up by three mothers who lived in the village and thought that the play facilities in it were not good enough. They could have written letters to their MP or the council; they could have lobbied, but instead they went about designing a plan for what the village needed and sought to raise the money to make it happen. They were successful and the play facilities have been transformed. I know that that project would not have taken place and would not have been successful without the action of those three mothers who came together to make it happen.

Yes, they received some public funds—from the lottery—to make it happen and some people say, "Ah, we can see that the big society is still underpinned by public money." The big difference is that the project was designed by local people with an understanding of local need. Some of the money was raised by the community and some of it came from the lottery fund: there was a partnership. If we look at other big society projects where a community has taken over the running of a swimming pool or the running of a library service, what is the first thing that happens? The people who use the relevant facility are asked how it can be done better, how the opening hours can be made more suitable for the people who use it, how services can be provided that are more in touch with what people need. That is what makes the difference.

I thought that the hon. Member for Darlington (Mrs Chapman) provided a good example of groups trying to put on live musical events to raise money for their work. Of course raising money is very important for the work of voluntary and charity groups, but within that story, there is also an example of the Government's role to deregulate and get rid of unnecessary and complicated legislation that puts people off.

Mrs Chapman: Although there were licensing rules for that project and rules specifying that there must be a dry bar, that a certain number of volunteers had to be trained and Criminal Records Bureau had to be done on them, that bags were to be searched when people come in and so forth, the project was successful because the parents had confidence in it. They knew that in its three years of operation, that project had not seen a single incidence of violence, antisocial behaviour or drinking abuse. That happened because those rules were in place.

Damian Collins: I am grateful to the hon. Lady for her intervention, but she made a point in her speech about the importance of having help and support so that people can navigate their way through all the rules and regulations. There is a concern among a number of people in the music industry about the provisions of the Licensing Act 2003, passed by the last Government, which made it necessary for smaller venues to apply for licences to put on live music events. Many Conservative Members hold the view, and the Government are looking at it, that those regulations are too onerous and impose an unnecessary burden. We could free up the voluntary groups to put on more of such events and also free up the time of council officers simply by getting rid of an unnecessary piece of legislation.

Anyone involved in community groups trying to put on events to raise money for their own funds or to draw attention to their activities will have come across many stories of woe about regulations on putting up banners and notices, the requirement for different types of insurance and the costs of obtaining it. There is much we can do to deregulate this work and make it easier for the big society to step forward and for people to take charge of the events they want to put on and take charge of raising money for the community and for the projects they want to advance.

Sometimes it is a matter of impetus. In Folkestone, the main town in my constituency, a group was formed, which called itself "Go Folkestone". It started as the Go Folkestone action project, which was launched by the Folkestone Lions club. The Lions and similar clubs do a fantastic job of raising money for their local communities. That was simply a group of people coming together with an ambition to change their town and a feeling that the usual political processes were not the best way of achieving that. A work programme was launched, which led to the formation of a town council in Folkestone for the first time and within a number of years it took action to deal with some of the dereliction caused by absentee landlords letting buildings fall into abeyance. It created a new sense of civic purpose within the town. That was not designed by politicians or the Government. It was people coming together with a shared vision to change their community.

The hon. Member for Walthamstow (Stella Creasy) spoke of a lack of purpose and a focus on process, but I think she is completely wrong, as it is the other way round. When communities come together to change things, they know what their purpose is. The problem they face is that they are quickly pushed into a world of process in which they are told that if they want to apply for funding for their project, they can apply, but they might need to redefine what the project is for and money might be made available only if they can prove that they are advancing a gender project or one targeted at a particular part of the community. That process often serves to make them lose sight of the core purpose of the original project. There are far too many of these rules and regulations in place, which undermine the big society and people's fundamental belief that by coming together and acting together they can really change the society in which they live.

Susan Elan Jones (Clwyd South) (Lab): Some of the hon. Gentleman's points highlight the importance of the independence of voluntary and community groups. Does he share the view of the famous red Tory Phillip Blond that at a time of such large Government cuts, the big society cannot come about? It simply will not work. People who, like me, have worked in the voluntary sector for 15 years and engaged in charitable fundraising are likely to welcome comments about the independence of the voluntary and charitable sector, but we fear that much of this talk of the big society is an ideologically driven smokescreen for large-scale Government cuts.

Damian Collins: The vision of the big society—including the understanding of Conservative Members of the importance of communities, volunteers and groups in transforming their society—has been articulated by Members of all parties for many years and by the Conservative party for a number of years, certainly predating the recession. The hon. Lady is right to say that to deliver our plans at a time when there is less public money around creates challenges, but it would also be wrong to relegate the voluntary sector to being simply an arm of the state that is totally reliant on state funding. This applies not just to the voluntary sector that she mentioned but across the arts and heritage groups as well. There is a danger of over-reliance on state funding so that people do not look beyond it and end up simply chasing the state subsidy and state money. Rather than work for a philanthropist or corporate entity that is providing all the money, they work for the agency of the state that is providing it instead. That, I think, perverts the essence of what the big society is all about.

There was much talk earlier about the role of 19th century thinkers, politicians and leaders in shaping what the big society was about. One good example was overlooked, however—the role of Tory reformers such as Lord Shaftsbury in pushing through the factory reform legislation. One consequence was the creation of leisure time for the working classes, which they had never had before. That is what led to the birth of popular sports, including football. The set-up and success of football clubs and the football league programmes throughout the country and the birth of organised sport can be traced back to those industrial reform Acts passed by this House. There was no Government pathfinder programme that dictated which sports should be set up or that football should become a national sport. That happened through volunteers and working groups made up of communities across the country with a shared vision of what they could do with their new time. That provides a good example of how Government action and legislation created the time and space for communities to come forward and create something new for themselves and was then followed up by a massive response right across the country.

I therefore think that the big society is akin to the aspirational society. It is a marriage of the aspirations people have not only for themselves and their families, but for their community. This reveals an understanding of how by working together and achieving together through common goals, there is no limit to what communities can do together. The role of the Government is to act as a facilitator and an enabler and not to stand in the way. We have seen plenty of examples today of where Government regulation and bureaucracy are hindering the big society rather than taking it forward.

Finally, I thank my Kent neighbour, my hon. Friend the Member for Dover (Charlie Elphicke) for securing this debate. On behalf of myself and my Folkestone constituents, I say that we are fully behind his plans for the mutualisation of the port of Dover. We wish him every success in that venture.

7.48 pm

Nic Dakin (Scunthorpe) (Lab): It is a great pleasure to follow the hon. Member for Folkestone and Hythe (Damian Collins), who articulated well the relationship between the Government and the voluntary sector in delivering the big society. I also congratulate the hon. Member for Dover (Charlie Elphicke) on securing this debate.

The hon. Member for Crawley (Henry Smith) and my hon. Friend the Member for Vale of Clwyd (Chris Ruane) reminded us of the comments of the noble Baroness at the height of her power as Prime Minister when she said that there was no such thing as society.

[Nic Dakin]

There is a danger and a fear that the big society is nothing more than the rebranding of the Conservative party by an excellent public relations manager. Across the House, there is agreement that, as the hon. Member for Bristol North West (Charlotte Leslie) said, the big society is not new, but is something that makes this country great. Community spirit and community action have always been at the heart of British society.

In her excellent speech, my hon. Friend the Member for Makerfield (Yvonne Fovargue) gave us great insights into the nature and effectiveness of volunteering but, as she said, the big society is neither new nor free. As we were told by the hon. Member for Ceredigion (Mr Williams), it is alive and kicking. In my constituency, in the last fortnight, I have been in contact with the scouts and guides, the women's institute, Lindsey Lodge Hospice, the Magic Moments charity for autistic children, Voluntary Action North Lincolnshire, Church and faith groups, town and parish councils, school governors, retained firefighters and Alzheimer's support groups. On Saturday night, I had the privilege of meeting the winners of not the Darlington but the Kirton in Lindsey civic award, Jenny Cripps and Penny Hoey, who received it for raising £1 million to restore the town hall to its old diamond jubilee glory. Last week I met a business man who had had the enterprising and imaginative idea of developing a community enterprise partnership to run the Humber bridge, removing the debt from the state. That may not be the right answer, but it is worth examining.

There certainly is a society, and there certainly are great communities. We see that in our constituencies, and their strength has been demonstrated today in contributions from Members on both sides of the House. My hon. Friends the Members for Leicester West (Liz Kendall) and for Stoke-on-Trent Central (Tristram Hunt) reminded us of the grand traditions of community self-help and mutual support, which have a long history on which we can build a great future. Over the last 20 years, government at all levels and of all political persuasions has encouraged the voluntary and community sector to grow and prosper. At national and local level it has supported capacity building, recognising that in wealthier, more prosperous areas people have more time, money and expertise, and that support is necessary if more disadvantaged communities are to realise their potential.

As was spelt out so well by my hon. Friend the Member for Dagenham and Rainham (Jon Cruddas), we need an infrastructure to deliver the big society, and that is now at risk. Those great communities are now threatened by a Government who, I fear, speak with forked tongue: a Government who say that they believe in communities and in a big society, but who are presiding over the biggest attack on communities for 30 years. We see that in the spending cuts that are being made throughout our communities at this moment.

We can judge how big a society is, how big a people are and how big a Government are by the way in which our young people are treated. The hon. Member for Erewash (Jessica Lee) reminded us of the key role played by volunteering in that context. Studies have made it clear that long spells of unemployment in youth can create permanent scars, which will imperil any realisation of the big society. Youth unemployment has returned to the level of the 1980s, the number of young people not in education, employment or training is at a record high, and the education maintenance allowance is being scrapped. I know from personal experience that EMAs have been highly beneficial in providing a ladder to aspiration. Kicking away that ladder will undoubtedly increase the number of NEETs and the level of youth unemployment.

Initial research by the Department for Work and Pensions has indicated that the future jobs fund has been a success. This week a constituent, Jan Williams, who had written to the Prime Minister kindly sent me a copy of her letter. She wrote:

> "I am Managing Director of Crosby Employment Bureau a not-for-profit social enterprise based in Northern Lincolnshire. We are involved in a number of employment and training programmes that aim to help people from deprived communities back into work. We also get involved in a range of other projects that help benefit the local community. I would go as far as to say that our organisation can be taken to embody your idea of the Big Society."

Jan Williams drew attention to the successes of the future jobs fund that her organisation had been managing. Eighty long-term unemployed people were currently serving in or had completed placements with local organisations. Twelve of the first 21 had completed their six-month placements and were in full-time, long-term employment. The young people themselves had made comments such as

> "the Future Jobs Fund has changed my life".

However, Jan Williams also pointed out that all that was in peril because of the Government's actions.

The way in which we treat our young people is a good measure of whether we believe in the big society or whether it is little more then rhetoric. The way in which we treat the members of society who are least able to look after themselves is also important. Another letter that I received this week came from Ian Millard of Lincolnshire House, who drew attention to the problems of disabled people in his care. He wrote:

> "Taking the mobility allowance away from disabled people in care will have an adverse effect on the quality of their life. How do they fund taxis, go on holiday or just go for a day out with family or friends?
>
> Maybe the high rate of mobility needs to be addressed, but some allowance needs to be considered to replace the income…disabled people…cannot live on £22.30 per week. If this change is implemented disabled people will become prisoners in their own homes."

That is not the big society, and we must not let it happen.

If the big society is not just rhetorical cover for cuts in public services, the Prime Minister must demonstrate through actions rather than words that he cares about the real people in our society. He can start with three big society actions: he can restore EMA, he can restore the future jobs fund, and he can restore the mobility component of disability living allowance. I hope that he listens, I hope that he cares, and I hope that he acts before it is too late.

7.56 pm

Jane Ellison (Battersea) (Con): I am grateful for the opportunity to contribute briefly to this excellent debate. Let me say first, as a member of the Backbench Business Committee, that it was a pleasure to make the successful bid for the debate. It was pointed out that the whole country was talking about the big society, from a number of different angles, and a compelling case was made for the House to debate the subject.

I want to focus on two aspects of the big society debate, and, if I have time, to make a request for practical support. The first of those aspects is the potential of wider community involvement in the delivery of services to drive social mobility in communities that have become excessively dependent on the state, sometimes over several generations. The second is the power of volunteers to generate much greater enthusiasm and support for projects than can be generated by national or local government.

During my short time as a Member of Parliament, I have become very concerned about families who look only to one or another arm of the state for financial support and services. That has a potentially deadening effect not just on people's ability to solve problems, but on the responsibility that they take for the lives of themselves and their families. I fear that the delivery of services and activities solely by the state can reinforce the disadvantages of such families, and, in particular, can reinforce the lack of social mobility that troubles many Members.

Far from seeing the role of volunteers and community groups in delivering services as a threat, I see it as an opportunity. I represent an area that contains extremes of wealth and poverty as well as all that is between those extremes. Tonight my local council is discussing an innovative plan to run a local library serving many disadvantaged children and young people with support co-ordinated through a local private school's charitable foundation. Irrespective of the financial aspects of the plan, I welcome it. Rather than viewing their involvement with suspicion, I hope that some of those professional parents and other middle-class people who will contribute their time—supporting, for example, homework clubs and study groups—will, in due course, be inspired to offer some of the young people mentoring, work experience and internships. In this instance, involving volunteers in the delivery of services will bring together members of my community who would probably have never met otherwise. I think that that has the potential to drive social mobility.

Many Members have spoken of the enthusiasm generated by their local voluntary groups—an enthusiasm that cannot easily be replicated by the state, although I agree with many Members on both sides of the House who have pointed out that it can often be enabled by the state. We have not heard much about support from business, but I think it important to see it as a potential force for good. I encountered a classic example on Christmas day last year, when I attended a traditional festive lunch for elderly people in my area run by Battersea Park rotary club. It has done that for a long time, and the idea is that no one need be alone at Christmas. There were so many volunteers there that I briefly wondered whether quite a lot of them were keen to be away from their own families at Christmas, but I quickly banished that cynical notion and instead looked on admiringly at the effort, with volunteers such as me being marshalled by experienced Rotarians, many of whom brought professional experience to bear. Publicity and transport support was co-ordinated through the council, and the venue and food was supplied by public-spirited businesses. It was a perfect example of all these good things coming together, but I doubt that we would have had the same response if the council had put out the call for volunteers on Christmas day.

As this debate has at times been very philosophical, I hesitate to introduce a practical note by turning to a matter that has long been a concern of mine. I can only echo the words of Members who have expressed frustration at the barriers put in the way of voluntary groups who are just trying to do good in their community. I shall mention one barrier in particular, in the hope that the Minister will address it: the often ridiculous requirements of public liability insurance. Some years ago I co-founded a community music festival in north London, and I still remember the moment when I was told that I needed to take out £2 million in public liability insurance to enable a junior school band to take a turn around the local park. I wondered to myself how much damage eight-year-olds with drums could really do. The only person on that occasion who came anywhere close to endangering the public was me, when I briefly unplugged a nearby bouncy castle to plug in the band's accompanying piano, but it was a mistake quickly rectified.

The fear of vexatious claimants and of being sued, and the disproportionate cost of public liability insurance, are among the factors that drive small voluntary groups out of action and discourage those who just want to do good. I hope the Minister will give practical consideration to tackling this barrier and some of the others that Members on both sides of the House have spoken about in the debate.

8.2 pm

Julie Hilling (Bolton West) (Lab): Like the two previous speakers, I do not want to talk about the theory of the big society. Instead, I want to talk about the reality of what is happening now. How can anyone argue with the notion of a big society—a society of stronger communities, where decisions are devolved to the most local level possible and where social action is encouraged? The problem is that the Government fundamentally do not understand that the big society already exists and they are hell-bent on destroying it.

There are already millions of people volunteering in this country. They run youth clubs and lunch clubs for the elderly. They run community centres and mentor offenders. They run churches and work with the homeless. They support battered women and provide meals on wheels. However, there is a common theme that runs through the circumstances of almost every voluntary and community group: they receive grant aid or other support from local authorities and, somewhere along the line, they are supported by paid staff. These may be people working directly in their organisation, such as in my Horwich and Westhoughton visiting services, where part-time co-ordinators recruit and train the volunteers, seek the elderly who need visiting and do the administration such as paying expenses to volunteers, thus leaving the volunteers to do what they have signed up for: visit elderly and disabled lonely people. It may be the paid person in the council for voluntary service—CVS—or the council who helps the group get funding or set up and organise itself, or it may be the paid people working in the group's headquarters, such as at the Scouts and Guides. All of these people are essential for the voluntary sector to survive and thrive.

[Julie Hilling]

The Government also seem to ignore the need for professional workers to work alongside volunteers—for people to train volunteers, to mentor them, to ensure that the work undertaken is safe and appropriate, and to deliver the work alongside them. Volunteers are not, and cannot be, a substitute for them. Groups also need funding for room hire and equipment and resources, and an endless list of other things. Of course the voluntary sector fundraises, but many groups find funding hard to come by. Those rooted in poor areas, and especially those dealing with unpopular problems such as alcohol and drug misuse or offending or mental health issues, find fundraising difficult and sometimes impossible.

Volunteers and the community and voluntary sector are not free; they are not a cheap alternative to the maintained sector. They need Government support. Instead of giving support, however, the Government are destabilising the sector through cuts to direct grants and to local authority budgets. Fledgling organisations will not now get off the ground, and organisations such as Bolton Community and Voluntary Services will not be able to support them. I hope the Minister does not respond by saying that local authorities should protect the voluntary sector, because Bolton council is doing what it can to protect voluntary groups, but the Government have chosen to cut too deeply, too fast. Bolton will lose a quarter of its budget over the next four years. The Government are making the choice—the wrong choice—and leaving the local authorities to implement their cuts.

An example of Government madness is the cut to vinvolved, the national youth volunteering programme, whose funding will be cut at the end of March. This project is the big society in action, with young people being trained as volunteers to work in every sort of project we can imagine. Vinvolved provided fun, exciting and eye-opening volunteer experiences for young people. It provided one-to-one tailored, sustained support. Most of the young people engaged in the project were experiencing difficult social and economic circumstances; indeed, many were at risk of social exclusion. Volunteering enhances young people's employability, gives them the opportunity to gain experience to put on their CVs, and allows them to get references and to develop contacts to help them find full-time work. It enables them to give back to their communities and, perhaps most importantly, gives them confidence and self-respect. What is the Government's replacement? It is an eight-week summer programme for 16-year-olds.

I have spoken before in this House about the honour I had of presenting the volunteer of the year award for Greater Manchester to Matthew, a 21-year-old from Bolton. Matthew has multiple disabilities, had no confidence and was doing nothing. His Connexions adviser referred him to vinvolved, and he was offered a number of volunteering opportunities, which he took up. He became a dedicated and valued member of the team at StreetWise Soccer, and teaches soccer skills to a range of people several times a week. He is now taking a coaching course so that he can teach football to disabled young people. He would not be doing any of this if it were not for vinvolved.

Who is going to support young people into volunteering now? The Greater Manchester v team award was won by Bolton YMCA's youth council. It is involved in fundraising, project planning, decorating, writing funding bids and supporting individual projects and users alike. It was said to be

"dedicated, energetic and a credit to the YMCA".

However, without local authority funding and Government grants, the YMCA will not be able to employ the youth workers who support young people and other voluntary youth workers. They are the big society in action, but they are in jeopardy because of the Tory-led Government.

If we need further evidence, the National Council for Voluntary Youth Services has stated that three quarters of youth charities are cutting projects, and 80% of them are being cut because of the end of targeted help from the Government. The Government's decision to front-load cuts is also creating chaos for the voluntary and community sector, leaving groups no time to find alternative funding. At present, 6% of the work force of Greater Manchester is employed in the sector. I will be very interested to see what that figure is after April.

I visited Moss Bank Park animal world last Thursday. The council is having to withdraw funding because of the £60 million in cuts it must find over two years, with £42 million to be found this year. A group of volunteers is forming who would love to take over animal world and the butterfly house, but who are in a race against time to get organised and to get funding in place. If the council had to cut only £18 million this year and £42 million next year, the group would have a better chance—but, no, the Government are going ahead, too deep and too fast.

The coalition parties want to take the state out of support for our society and want to do away with any targets. However, targets are the device that ensures that the vulnerable—such as teenage mums and homeless addicts, and young scallies hanging out on street corners who are unwelcome in the voluntary youth club—get the services they need. The state has a duty to ensure that our citizens get the support they need, and that cannot just be left to possible voluntary action.

The big society exists, but this Government are destroying it. The big society can never be a replacement for local authority services, however. The big society works best where there is a partnership between local authorities and the voluntary and community sector. Volunteers are not a replacement for paid, qualified, professional staff; they complement them. This Government must stop this destruction before it is too late.

8.9 pm

Mr Steve Brine (Winchester) (Con): I am very pleased to speak in this debate today, which is yet another triumph for the Backbench Business Committee and a tribute to my hon. Friend the Member for Dover (Charlie Elphicke), who instigated it. I know that dozens of colleagues would happily have called for this debate and signed up to say that it should happen.

It is apt that we are having this debate at the start of Fairtrade fortnight. Fairtrade is a great organisation that is very active in my constituency. There has been much mention of the noble Baroness Thatcher and her infamous quote. One of my colleagues said that she was misquoted, but I think it was more a case of her being selectively quoted. I honestly was not a geeky teenager reading such things under my bedclothes, but I do so hate misquoting, especially where Baroness Thatcher is concerned. *[Interruption.]* Let me keep going—you'll enjoy this.

It was Baroness Thatcher's conference speech in 1987 in which she used that phrase. She said:

> "I think we've been through a period where too many people have been given to understand that if they have a problem, it's the Government's job to cope with it. 'I have a problem, I'll get a grant', 'I'm homeless, the Government must house me'. They're casting their problem on society. And you know, there is no such thing as society. There are individual men and women, and there are families. And no Government can do anything except through people, and people must look to themselves first."

If any hon. Member disagrees with that statement, they should not be on the Government side of the House; they should certainly be on the Opposition side, and I guess they probably are.

It is becoming predictable to hear colleagues say, "While others talk about the big society, in my constituency we've been doing it for years." I am sure many of us have uttered those words at AGMs and meetings this past weekend, not least me. However, it is not merely "predictable" to say that in the case of my Winchester constituency; rather, it is most definitely true. Nevertheless, the use of the word "predictable" misses the point. For me, as others have said, the big society is not a revolutionary new idea, but a renewed mission for troubled times. Passing power from state to citizen and encouraging people to be empowered in their own communities and to take responsibility for their own lives is an idea as old as the hills. It is an idea that has always been at the core of what my party believes, of how it shapes policy when in government in good times and bad—and, it must be said, in surplus and in deficit.

In the infamous "sermon on the mound" in May 1988, Margaret Thatcher—I am becoming obsessed with her—said:

> "Intervention by the State must never become so great that it effectively removes personal responsibility."

I cannot disagree with that. There are others. Addressing the Labour party conference for the first time as Prime Minister, the former right hon. Member for Sedgefield said:

> "I tell you: a decent society is not based on rights. It is based on duty. Our duty to each other. To all should be given opportunity, from all responsibility demanded."

Excellent, as always! Our current Prime Minister, on the eve of the general election last year, said that the big society was his "mission" in politics. Of course, there is also the great man John F. Kennedy and his inauguration address in January 1961, which has been quoted twice today, so I will not go there again. For me, those approaches all have one common thread: they present a positive vision; they all have optimism at their core; and they all believe in people over the state. That is not a bad thing.

I believe in the big society—I always have—and I do not think that that is a political risk; nor do I think it is "cover" for clearing up the appalling mess left by the Labour party. For me, it is a principle of faith—a way we want to govern in a country we want to live in. I am happy to stand under that banner, now and at the next election, in this House and outside it.

I understand why some people want to talk down the big society idea—we have heard that plenty of times today—just as they want to talk down our economy and, ultimately, our country. It suits their argument, and I suspect that for some, that has "traction", as the pollsters call it, outside this place. However, ultimately it will not serve them well. What a very dark place it must be for those who think that Government know best and that only the state can guarantee fairness, when all they seek to do is undermine those who believe we can be better as a society. Politicians, and especially Prime Ministers, have to lead and to believe in something bigger than simply managing Government Departments better than the last lot, passing legislation and bringing about our economic recovery, vital as the latter is right now.

This coalition Government do not want the story of this Parliament to be just one of economic recovery; we want it to be one of social recovery, too. If I look at my own constituency, in the city of Winchester and the villages and towns that surround it, I see a strong society already thriving, but I also see a big state keeping far too many people in their place.

Here is the good part. According to the Charity Commission, we already have 524 registered charities in Winchester, a thriving voluntary and community sector and a sense of community involvement in the form of public consultation, meetings and—dare I say it?—e-mails to the local MP. That hardly constitutes being uninterested. We have dozens of active residents associations, and we have busy community groups that get stuck in. There are groups such as the Alresford Society, the City of Winchester residents association and the Hiltingbury community association. Numerous rotary groups have been mentioned today, and they do great work in my constituency. There is also the Alresford Pigs Association, which will love a mention, and the Dever Society. We have big charities such as Trinity Winchester; the Churches Nightshelter, which I was volunteering with just last week during the recess as part of student volunteering week; and Naomi House, the children's hospice. We have heard some very good things from my hon. Friend the Member for Pudsey (Stuart Andrew) about hospices. There also the smaller charities such as Young Carers, Wells for India and the mental health charity the Olive Branch, all based within an infrastructure company called Winchester Area Community Action, or WACA, which recently came here to visit the Minister. I pay tribute to their team, who do so much to make our society in Winchester strong.

Not a week goes by when my office does not receive a request for me to sponsor or help publicise a charity bike ride or some other event to raise money for charities at home and far away. Just this weekend, I was at a dental practice in Winchester to help it launch a bike ride across Tanzania in aid of Bridge2Aid, a dental charity. There are many other such examples.

On the "work to do" side, I had an e-mail just before the recess from a constituent of mine. It said:

> "I would like to tell you of my experience yesterday at Winchester Hospital. I have become a member of The League of friends and offered my services as a volunteer. I had helped out one morning on the desk on the Nightingale Wing and decided that I could help on other occasions. I was then told to register and given 4 forms to fill in asking all manner of personal questions. I am just telling you this as many…will be…as I am, put off applying."

That is a small example, but I bet that hon. Members in all parts of the House can provide similar examples.

There are many other such examples, and one of the biggest misconceptions about the big society remains the idea that it is all about the voluntary and community

[Mr Steve Brine]

sector and how much grant central or local government gives to individual charities. Perhaps it is our fault as a Government—our communication failure. Either way, I hope this debate will help in that regard. The big society is about a culture change in volunteering, yes, but it is also about a revolution in the culture of giving and public service reform. Above all, it is about responsibility. We have to reject the perverse and pitiful message we are teaching our children that nanny—the nanny state—knows best.

8.17 pm

Albert Owen (Ynys Môn) (Lab): I am grateful for the opportunity to speak in this debate, and I congratulate the hon. Member for Winchester (Mr Brine), who was quite right when he said that the Backbench Business Committee has shown the diverse range of opportunities that it provides. Like the hon. Member for Dover (Charlie Elphicke), who is not in his seat, I represent a coastal and port community, and I wish him well in his campaign on behalf of the port of Dover.

The hon. Member for Hereford and South Herefordshire (Jesse Norman) was right to say that the big society is not about ideology—left, right or centre. I consider myself a communitarian first and foremost. I live in, was brought up in and have the privilege to serve the rich, resilient and diverse community of the Isle of Anglesey. I was pleased to hear the hon. Member for Pudsey (Stuart Andrew) make a contribution on the Isle of Anglesey. Like me, he was born there and brought up on a council estate there, although not the same estate. He rightly mentioned the late Iorwerth Rowlands, who died recently. He was a Conservative, and someone with whom I worked before I was elected to this House of Commons; indeed, when I became a Member of Parliament, he lobbied me.

I have roving surgeries in Anglesey, and I use the Iorwerth Rowlands community centre for that purpose. I was proud to be there on the day when that centre was opened in Iorwerth Rowlands's name. One thing that he would have agreed with is that that would not have happened had it not been for grant aid. I helped him to get the money to build that community centre, which is in the heart of the community of Beaumaris.

I want to stick to the issues that have been discussed today and the big society. As the hon. Member for Winchester has said, it is predictable that we give examples from our own constituencies. I lived through the big society just this week. On Thursday, I attended a very special launch of the lifeboat at Trearddur bay, which attracted a crowd of 1,000, as well as the world's media, who came from places ranging from Japan to Australia and the United States. The fact that two prospective constituents of mine, Prince William and Kate Middleton, were also in attendance made the launch a special focus of attention for the world's media. The Royal National Lifeboat Institution is an example of the big society, although I declare an interest because I am a member of its general council.

The following day, I had the privilege of being the guest speaker at the Llangefni rotary club on its 50th charter. I am an honorary member of the rotary club and the Lions, and I acknowledge the work that they do for communities across the United Kingdom. Again, that is an example of the big society in action. On Sunday, I attended a St David's day celebration. We are not being given the opportunity to have a Welsh day in this House this year, but I was able to participate in an excellent celebration of St David's day with voluntary groups, the RAF, the private sector and everybody else who came together to put the event on.

I also believe in devolution, which has also been mentioned in the debate, and in localism. I want to talk not about the devolution of power from Westminster to Cardiff bay or to Edinburgh, but about real devolution that helps empower people to run their own activities. In the 1980s, prior to coming into this House, I worked as a manager of a centre for the unemployed. Society was very fractured in the 1980s, and it needed help and attention. As manager of that centre, I worked with the public sector, the private sector, the third sector and community groups to help people in society. We worked together and we built up many achievements, not the least of which was educating and training people for the world of work. That was the big society and the community coming together. We have heard some quotes from Mrs Thatcher and some defence of what she said. I can tell hon. Members that no matter whether or not she believed in society, we had hard experiences in my constituency and my community at that time, and the big society coming together helped alleviate much of that hardship.

In order to create a better society we need to work together. Hon. Members have talked about partnerships, but I am still struggling to understand what the big society is and nobody sitting on the Benches opposite has really explained it to me. We can all give examples of what we think it is and what we think it should do, but we have never heard a definition.

Chris Ruane *rose—*

Albert Owen: Before I take an intervention from my hon. Friend, may I say that he was right when he said that the Government probably picked the wrong term with the "big society"? I was surprised that the Prime Minister chose the term "big society" and was unable to market it or explain it to the public, given his public relations skills. The "big community" would have been a better idea and concept to sell, had he chosen it.

Chris Ruane: One of the 300 questions that I have tabled on the issue of the "big society" asks the Minister to define what it is. The answer has come back, and I have been told that there is no definition.

Albert Owen: The Minister is a very decent man, and I am sure that he will find 300 answers somewhere up his sleeve to say what the "big society" is, but we have not been given clarification in this debate. As I have explained, I am a communitarian. I live and work the big society, yet I am struggling to explain to people exactly what it is.

I wish to cite another example of the big society with a link to my constituency. The women's institute was formed in Ynys Môn, the Isle of Anglesey, in 1915, and a few weeks ago, I had the privilege of going to the annual general meeting. The membership in my area is 500, and the institute mustered almost 200 of them to attend a meeting to listen to their Member of Parliament speaking. Again, that is the big society in action. The agenda that the women's institute had in 1915 is the agenda that we are still running today; it talked about food security in 1915. So, fantastic examples can be given of the big society, but it is difficult to explain this concept and we need to make progress.

Some hon. Members have asked why cuts should be brought into a debate about the big society. I have worked in the private sector, the public sector and the voluntary sector. I still visit these groups and they raise the problems that funding cuts cause them in creating the community ethics that they wish to promote and in running groups and activities in the community—it is they who are talking about cuts. It would be a big mistake for anybody who has contributed to this debate to say that the cuts will not have an impact on those services in the community, which is what concerns me.

I wonder whether this is the wrong time to talk about a big society in many ways. We need to work to help communities, but we also need to get the right balance between state funding, community spirit and looking for finance from the private sector. I did that and still do it, and I help groups to do it. By working together, we will create not only a big society, but a better society—a society that people really want. As a communitarian, I believe that the Prime Minister rightly talks about "bottom up", but then tries to lecture from the top about what the big society is, which is where the confusion arises. Do not just take my word for it; take the word of members of the RNLI, the women's institute and rotarians, who tell me that they do not understand this situation. The Government talk about localism, but we see many measures that are centralised. So a confused message is being sent out, and it is difficult to understand. I hope that the Minister will answer my one question, not the 300 that have been posed. I hope he will tell me what the big society is and whether we live in a broken society.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): Just before I call the next speaker, may I say that 15 Members still wish to catch my eye and that their speeches are going to have to finish just before 9.35 pm?

8.27 pm

Alok Sharma (Reading West) (Con): As many Government Members have said, empowering citizens and local communities to take more control over their lives is at the heart of the big society idea. I am delighted that this key philosophy of returning power to the people is a core feature across the Government's policy agenda, be it in education, local government or health. Under the previous Government, we developed a culture of government knows best, where individuals and communities often felt helpless to bring about local changes. Thankfully, that is changing and the big society agenda is playing its role in encouraging more local community engagement.

My hon. Friend the Member for Dover (Charlie Elphicke), who is not in his place, made an excellent opening speech, in which he gave the example of individuals being concerned about the possibility of being sued if they cleared snow from pavements. It is a sad state of affairs that after 13 years of Labour that is where we had come to. It was clear that the pendulum had swung too far in the wrong direction in terms of the role of the state versus the role of community. Fostering a spirit of community engagement and social responsibility starts at home and school. I suspect that many hon. Members have been struck, as I have, when schoolchildren come to visit Westminster or when speaking at local schools, by how engaged our young people—seven and eight-year-olds—are when talking about things in their neighbourhoods that they want to change. We need to capture that enthusiasm and engagement and nurture it into adulthood, so I welcome the Government's national citizen service, which is aimed at 16-year-olds and will help to deliver that.

Our charity and voluntary groups are the face of the big society in our towns and cities and form the backbone of civil society in our communities. Reading is no different and has a vibrant and diverse voluntary sector. Church communities play a big role in our town, providing services that are open to all, such as support for the homeless, debt counselling advice and schooling for children who have been excluded from mainstream education because of behavioural difficulties. Earlier this month, I spoke at a local voluntary and community sector networking event in Reading, at which there were well over 100 participants representing just about all the key community and voluntary sector groups in the town. The event was billed as a

> "cross section conference involving all agencies interested in growing a genuine Big Society in Reading".

It is absolutely clear that the voluntary and community sector in Reading is keen to grow the big society. It wants to do more and believes in community empowerment. Many in the sector welcome the Government's agenda of seeking to increase the role of charities and voluntary groups in delivering public services. Locally, I am very pleased that we are supporting such groups. The Conservative-Liberal Democrat coalition that now runs Reading borough council has increased funding for voluntary groups and there is much more flexibility in getting funding throughout the year. There is now clear recognition, which was not there before, that voluntary groups should not be treated as a branch of Government that is there to deliver on Government targets, but that they are there to deliver for local communities. The Conservative-run West Berkshire district council, which also covers part of my constituency, recently wrote to the Department for Communities and Local Government to apply to become a big society vanguard area following Liverpool's withdrawal. In my part of Berkshire, we certainly know what the big society is all about and we are supporting it.

More widely, the beneficial effects of the Government's policy agenda of empowering local people and communities to take control over their lives can be seen across our constituencies. I hope that my constituency will have one of the first free schools in the country in September—the Reading free school. That initiative, which is led by a local parent group called the All Saints Action Group, came about because there is huge pressure on school places in Reading. Local parents saw an opportunity to set up a new school, which is fantastic news for children across the town. Most importantly, it represents real collaboration between the local community, local parents and the local authority. This could never have happened under the previous Government.

[Alok Sharma]

The Localism Bill is another great example of how the big society concept is being furthered, whether through the community right to buy, the community right to challenge or communities being allowed to decide how their neighbourhoods should look. As a result of the Bill, I have been approached by members of the community who want to do more to save local pubs and who want to work out how their neighbourhoods should look. All that should be welcomed. Above all, the Localism Bill is about trusting local communities and letting them take the lead in creating neighbourhoods of which they can be proud. We should welcome that.

I know that many hon. Members want to speak, so I shall draw my remarks to a close. I fully support the motion and I welcome all that the Government are doing to advance the big society and return more control to local people and local communities over their own lives.

8.32 pm

Chris White (Warwick and Leamington) (Con): I believe that all hon. Members in the Chamber recognise that these are difficult economic times that require us to make tough choices and to change our way of life. It is tempting to focus on the negative, but we should also focus on the positive. We are presented with an opportunity to show the very best in our national character and to call upon the values of responsibility, public spiritedness and compassion, which are intrinsic to a strong and vibrant society. Those ideals are not new, but have been woven into our politics for as long as any of us can remember. We are ultimately seeking to address the most fundamental question in politics: what does it mean to be a citizen? For me, the big society is an attempt to answer that question and to create a new, more balanced and more positive concept of the citizen. For that reason, I support the motion.

The big society is novel because it recognises the importance not only of people but of institutions. There is a clear role for the state in the facilitation of a stronger society. In some ways, that will be rhetorical—pushing people forward, persuading them that it is good to do more and giving them a reason to feel part of a wider social project. That is why it is so important that senior members of the Government keep talking about the need for people to get involved and continue to spur people forward. The idea of a civic service which the Prime Minister outlined is an important part of achieving that.

I welcome efforts by Ministers to change perceptions of volunteering. Our education system should do more to develop a new generation of citizens. The national citizen service represents a fantastic opportunity to bind young people together and encourage them to participate as much as possible in the wider community.

As Members of Parliament, we need to get into our local communities. We should be advocates for social action, galvanising people to do more and championing local causes. In my constituency, we have a fantastic array of organisations which I have had the pleasure of meeting and working with, both as a candidate and now as an MP. They work tirelessly to help the wider community and the most vulnerable within it.

In some ways, the state's role is institutional. We need to change the way in which our public services are delivered and how our priorities are set in order to engage our communities and ask local people to do more, whether that is by helping to set priorities through referendums or giving local people the right to challenge. We need more diversity in public services to break open monopolies and to give the best organisations, whether they are voluntary, public or private, a chance to take on our social challenges. We should say, "If you have a good idea to solve these problems, and if you have a clear financial plan to achieve it, we will help you."

We must use the power of the voluntary sector, social enterprise and socially responsible business to drive forward better quality in our public services. I am trying to play my part with my private Member's Bill which, I am sure colleagues will be pleased to know, will shortly reach its Committee stage.

The role also has a financial aspect. The state has at its disposal hundreds of billions of pounds, which it collects in taxation with the aim of supporting our society through welfare, investment, infrastructure, law and order and public services. Although some of my colleagues on both sides of the House might like to debate how little or how much we should raise in taxation, that debate is for another day. We need to use the public resources to achieve the maximum public benefit. That means taking a long-term view of social issues, not being afraid of investing in social projects because they cannot generate results within one financial year, and not cutting small-scale local projects in order to save large-scale prestige ones.

There are examples across the country and in every constituency. I am reminded of organisations such as the Warwickshire community and voluntary action group, which helps individuals to find out about the voluntary and community organisations in their area and how they can help, which is vital. Our community centres are hubs of local activity. They help to give local people the space to host events and support local causes. Communities need assets and locations if they are to do their good work, and we need to ensure that they are maintained. In my constituency, assets such as the Bath Place community venture could become the catalyst for a range of social action projects. We need to recognise their importance and use local community spaces as effectively as possible, empowering local people, not hindering them with unnecessary red tape or through lack of assistance.

Voluntary and community groups also need funding. I agree with the Government and with my colleagues on the Government Benches that we must do more to encourage charitable giving and create innovative methods of funding and investment. The big society will be an important development in this respect. The grants from local and central Government are important. We spend as little as 2% of public money on the voluntary sector, yet it can have a huge impact.

Neil Carmichael (Stroud) (Con): My hon. Friend is right. In Gloucestershire we are benefiting from a sensible and forward-thinking county council paving the way for local people to take over libraries. That is excellent. Does he agree that we should encourage more such initiatives across the piste?

Chris White: Indeed. Such ideas should be promoted. We should look at the models that work and make sure that other constituencies adopt them.

Although reducing funding today might seem like a quick saving for local authorities, ultimately they should remember that the small amount that those groups and organisations cost could save them far more costly interventions in the future.

The big society needs all the tools of the state at all levels. Ultimately, however, we keep coming back to the citizen and their role in the community. No idea, no vision, will take root in our society unless people decide to keep up the challenge themselves and own their own change. It cannot be imposed from the top down; it has to come from the bottom up. We have to nurture, incentivise and fund it, but above all we have to recognise that all the resources of the nation—economic, political, social and environmental—need to be directed to achieving it.

The economy has rightly been the main focus of attention for much of the debate in this House and throughout the country, but it is no good having an economic recovery if there is no social recovery. It is important that all sides engage constructively in that, because ultimately it is in all our interests to see it succeed.

8.40 pm

Richard Fuller (Bedford) (Con): It is a great pleasure to speak in the debate and a particular delight to follow my hon. Friend the Member for Warwick and Leamington (Chris White), who counts my mother, father and brother among his constituents. They routinely tell me what an excellent job he is doing as their Member of Parliament.

Stephen Pound: Get on with it.

Richard Fuller: I shall, indeed.

It has been interesting to hear people's different perspectives on what the big society means, so at least we know that the big society is something. We might not agree on our perceptions of it, but I am with my hon. Friend the Member for Erewash (Jessica Lee) in being quite comfortable with that difference of approach. For me, however, the point of the big society at this moment is about building institutions—other than state bureaucracies—that can deliver effectively the social goods and services that we all desire.

The bureaucracy was, as we have heard, always only one model, not the only model, for the provision of social goods and services, but over the years it has come to dominate the space in social goods provision. In so dominating that space, it has created other organisations that are less sustainable and resilient because of their dependence for their continuation on state funding.

Under the previous Government, new forms of charitable organisations evolved, and in fairness institutional forms will evolve over time. It takes time to create institutions; we have only to look at the construction of different forms within the private sector and other aspects of organisational theory.

It is also important to recognise the imbalance between bureaucracies on the one hand and charities, social enterprises and so on, on the other. Over the past 10 years, charities have in many ways been co-opted by the Government. If we look at the earned income of charities in 2000, we see that 40% came from statutory Government sources. Within just seven years, that percentage had risen to 52%. How does that help the independence of those institutions? How does it help to create resilience within them?

Not all charities are the same, however. The hon. Member for Ynys Môn (Albert Owen) heralded the women's institute as the paragon of a big society organisation, but as Government Members know, women's institutes do not claim Government money at all. Smaller charities have a far greater reliance than larger charities on individual donations: 64% of the income of very small charities comes from voluntary donations and private sources, and only 5% comes from statutory sources. For the large charities, those that are pretty good at cosying up to the Government, 34% comes from individual sources, and 38% comes from Government sources.

That mirroring of the state can also be seen in senior executive pay. On many occasions in the House, we have heard people talk about the growth in senior executive pay in local and national Government, and, as we look to the big society, people will have questions about whether the chief executive officer of Barnardo's should be paid £166,000 a year, whether the chief executive of Action for Children should be paid £130,000 and whether we should really allow the chief executive of World Vision to sneak in at £99,994 a year without pointing to it. These are areas where we have to say that we need change. Do we see these social organisations as institutions in their own right or just as agents of the Government? If it is the former, we need to enhance their institutional strength.

I have some suggestions, many of which are already emanating from our Government. It is sometimes argued that giving people a tax deduction for their charitable donation will have the same result as gift aid, but I think we should change the system. People will respond more positively if they know they are going to get a tax deduction for their charitable donation. We do it for venture capital trust contributions and for the enterprise investment scheme, so why cannot we change the system to do it for charitable donations too? We need to look at ways of simplifying the rules and regulations. In particular, can we ease the rules on mergers and acquisitions between charities so that they can be done more effectively? Looking at the big society bank, can we ensure that we limit its scope to focus on those who are most important for society as a whole?

Most importantly, can we use this opportunity to create centres of excellence for non-profit bidding expertise? ConsortiCo in my constituency has brought together 35 charities to help them to bid for local government contracts. That is important, because many charities find it hard to access Government contracts. These organisations will become the platforms for outcome-based financing in future, and we need local centres of excellence to appear with their local government authorities in order to gain the experience of writing contracts that can be used for outcome-based financing. Fundamentally, the fight between charities and bureaucracies is not fair because bureaucracies hold all the cards. If we do not give charities the strengths to compete effectively with bureaucracies, we will not achieve the big society at this time.

[Richard Fuller]

It is a challenge for Conservative Members to implement the changes of the big society in this period of office, and it will govern and colour the context of our time. For Labour Members, however, the challenges are even more significant. As my hon. Friend the Member for Hereford and South Herefordshire (Jesse Norman) said, they have to decide whether they want to continue to move forward with the reform agents in social enterprises and charities or to remain as guardians of the status quo.

8.47 pm

Eric Ollerenshaw (Lancaster and Fleetwood) (Con): I am grateful to have been brought into this seminar, as it has been called, on the big society and what it means. I am pleased to follow my hon. Friend the Member for Bedford (Richard Fuller), who was keen to get involved earlier when there were endless discussions about what Baroness Thatcher said and did not say; I know that he has quite positive views about that. I am going to have to disappoint my hon. Friend the Member for Dover (Charlie Elphicke), who so brilliantly introduced the debate and got it off the stocks. He said that we would be talking about the post-bureaucratic age—well, I, for one, do not understand the post-bureaucratic age. I have learned from the hon. Member for Walthamstow (Stella Creasy) about episodic volunteering, which I think must be a psychological disease.

I will deal with one or two facts about my constituency and what we are trying to achieve in making the big society play out a bit further, particularly in terms of regeneration. I also have a suggestion to top some of the practical suggestions made by my hon. Friend the Member for Bedford about what may help in increasing volunteerism.

We are all agreed, across the patch, that there is nothing new about the basis of the big society. As Members of Parliament, whether new or old, we all have a great deal of admiration for the voluntary groups that we meet, the numerous people we see volunteering, and their involvement in the committees that they sit on. I have often thought that one of the great defences of this country is that if Parliament fails and we get a dictator, no dictator would ever be able to cope with the quantity of committees and voluntary groups and control them across the country. Even getting on to the agenda of some voluntary groups would be difficult for any dictator. They stand there as a bulwark against future takeovers of this country, and they do a brilliant job.

I want to mention a couple of examples from my constituency. On Friday, I went to St John's church, which is a redundant 18th-century church in the middle of Lancaster—a beautiful building that I knew nothing about, and to which I had been invited. Mary Halton, a neighbour of the church, singlehandedly created the Friends of St John's and singlehandedly checks to ensure that the clock is working every day. She is not religious, but she lives near the church and values it. She opens it to other groups and is working actively with what was the Redundant Churches Fund to get things moving. She has not been compelled by the Government or asked by the council; she did it herself. We can all recognise such people in our constituencies and what they have done.

The Opposition have rightly asked what is new about the big society. I agree with my hon. Friends the Members for Stourbridge (Margot James) and for Pudsey (Stuart Andrew) that all that is new is the recognition that there needs to be a rebalancing between the state, community and the individual. I am not talking just about the past 13 years and I am not going into the history of the Labour party, although I have learned from this debate or seminar that the left is still alive and kicking in the Labour party. That a Labour Member can stand up and say, "We on the left," has taught me something valuable: we now have a real ideology to play with. Congratulations should probably go to the new leader of the Labour party for allowing that to function; it has not been allowed in the past 13 years.

My party agrees that the Government clearly play a valuable role and we do not underestimate that. However, individuals and communities feel that over the past 40 or 50 years, whichever party has been in power, the state has got bigger and bigger and has squeezed them out. I think that there is some truth in that.

Stephen Pound: Is the hon. Gentleman seriously suggesting, even for a moment, that ideology plays any part in the modern Labour party? I ask him to weigh his words with great care before making such assumptions or—dare I say it—accusations.

Eric Ollerenshaw: I thought that I was being positive. I take the hon. Gentleman's strictures and accept that ideology does not play a part in the whole Labour party. I was saying that I am pleased that it now seems to play a part in part of the Labour party, and I regard that as novel.

I will give an example of what I was saying about the state. All that we have heard about from the Opposition is cuts, cuts and cuts. I hope that Opposition Members who criticise the Government will put the same criticisms to the Labour council leaders who are responsible for the balance of the present budgets. I remember from London politics in the 1990s, when apparently we had all the money, the massive amount of regeneration money that was poured into the east end. As a councillor in Hackney and as a member of the Greater London authority, I saw endless attempts to deal with problem estates when there was real money. Usually, that meant that outsiders came to the estates and that consultants were appointed. The Government passed the money to the development agency, which passed it to the council, which appointed administrators, who went in and sorted out what had to be done. I am not saying that no good was done, and there was certainly a lot of good capital work. I am talking in particular about the social regeneration schemes.

In particular, I remember one social regeneration scheme on a problem estate because it was examined by academics at East London university. It had the laudable aim of training the youth of the estate to use computers so that they could get better jobs. It took three to four years, the outsiders came in, the hardware was brought—it is probably still at the back of the estate community offices somewhere under lock and key—and the money was spent. The council ticked off the scheme as having done a good job. The development agency ticked it off as a good job with everything done. The Government who had spent the money—I think it was Department for Communities and Local Government money—ticked it off. Academics then chose it at random as a scheme to look at. When they went through the statistics of what had been done, the only conclusion they could come to was that either there were twice as many young people on the estate as the census said, or every young person on the estate had been trained twice on the same computers. They could never reconcile the figures.

To me, the big society is about the message that we missed in the '50s and '60s with the great slum clearances and again in the '80s and '90s with regeneration. That is the fact that however bad an area seems from the outside, it still possesses something of the big society and there is some community there, however bare it is. We have to work with that community, not introduce something from outside on top of it. We as a Government have to learn that lesson.

Labour Members say, "You can't do this now, because times are bad". I would put it the other way around. We want to be in such a position that when times are good, we have the structure on the ground to avoid the same mistakes. That is the purpose of the big society, and it is why it more important now than ever before that community organisers train volunteers.

The big society can be described as plain common sense—shall I say Lancashire common sense?—or localism, or whatever. I have tried to think of an alternative term to "big society", but I cannot, so I will go with it, because it means the restoration of the balance between communities and individuals.

8.56 pm

Richard Graham (Gloucester) (Con): As many Members have said, it is a pleasure to contribute to this terrific debate. It happens at a time when several million Libyans are trying to find their way to a future without their great dictator. We are debating a motion on something that they, and many others around the world under the barrel of state power would dearly love—the pursuit of stronger communities and decentralised power and the encouragement of social action.

The hon. Member for Walthamstow (Stella Creasy), who gets out more words per minute than anybody else in the Chamber, said that the trouble with the big society was that it had no purpose, but what other purpose is there than creating stronger communities? That is surely at the heart of all political activity by all parties. Is there really anyone in the Chamber who would vote for weaker communities, state monopoly of power and the discouragement of social action?

There was a time, of course, as the hon. Member for Stoke-on-Trent Central (Tristram Hunt) said, when his party arguably led on those beliefs, with the co-operative movement, the formation of credit unions and the role of the trade unions in training. What has happened since? What happened to self-help and mutualism? Today there is more enthusiasm for, and I suspect there are more members of, credit unions on the Government side of the House. I do not just talk about co-ops, I worked for a mutual insurance group. We are the party that leads on apprenticeships and is changing British Waterways from a state-owned entity to a charity and the Post Office from a state-owned company to a mutual.

Somewhere along the line, Labour Members have, first, mistaken new Conservative Members—that is what those of us here today are—for 1980sTories and, secondly, have lost confidence in their own roots and in anything except the state or state-funded voluntary organisations. In fact, the hon. Members for Leicester West (Liz Kendall) and for Makerfield (Yvonne Fovargue) even asked how their charities could survive without Government funding. Surely everyone in the House is aware of, for example, the Royal National Lifeboat Institution, a charity that fulfils its statutory duties without a penny of Government funding. My hon. Friend the Member for Pudsey (Stuart Andrew), who spoke so eloquently, is here and available to help explain how to raise funds for charities. If need be, the Minister can help, with his transition fund.

For Opposition Members, the word "cuts" invariably means "worse service". It does not need to if the community is involved. I shall illustrate that briefly with two examples from wards in my constituency that are among the most deprived in the south-west of England. The Podsmead Community Association has a building at a peppercorn rent from the city council, and it has 400 members, 20 volunteers and masses of activities. It has funding from both its bar and local businesses, and not a penny from the state. Nor can the 20 volunteers be remotely classified as millionaires, which was a particularly outrageous suggestion made by an Opposition Member.

Not far away, in Matson, we have an isolated library building, with two parking places, two staff—for health and safety purposes—and an inefficient, larger-than-necessary building that costs £54,000 a year. That is an important service in the wrong place and the wrong building, and it could be provided much better for rather less money. By contrast, the community offer could give the ward a library service and nearby community centre with lots of parking, plus sports, dancing and arts next door, and possibly a café, to be run by a charity formed by three religions, at a cost to the county council of £20,000, or slightly more than a third of cost of the current facility. In that way, there would be a better library service at slightly more than a third of the cost.

Many Opposition Members have called the big society a fig leaf for cuts, candyfloss, a big cop-out and a national joke, but for me, it is no laughing matter. Those are my most vulnerable wards, and I want to ensure that our communities are stronger and that we can continue the services that matter most to the people who live in them.

My hon. Friend the Member for Folkestone and Hythe (Damian Collins) was right to list the bureaucratic obstacles that I hope the Minister will commit himself to hack away at, so that more people will join the big society, volunteer and help to make our communities stronger. Of course the big society already exists—look at what the Civic Trust did in Gloucester and many cities around the country. I am committed, as all Government Members are—I hope Members of all parties are so committed—to working with anyone who wants to improve and strengthen their community. I have no idea how my community leaders vote. That is the least important thing. As Deng Xiaoping said, it matters not whether a cat is black or white, but whether it catches mice.

The motion defines the big society, which we were elected to do, and I encourage all hon. Members to support it.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I have eight speakers to get in and there are 34 minutes.

9.1 pm

Chris Heaton-Harris (Daventry) (Con): I will try to abide by your advice, Mr Deputy Speaker. It is a pleasure to follow my hon. Friend the Member for Gloucester (Richard Graham) and the great dose of common sense that was injected into the debate by my hon. Friend the Member for Lancaster and Fleetwood (Eric Ollerenshaw).

I wonder how many Opposition Members would be in the Chamber, compared with the few who are here now, were this debate entitled, "The Big State". The Opposition do not care for the big society or what it stands for, because they prefer society to be based on the premise that the state must work its way into every nook and cranny of life. Those who prefer the big state approach do not in any way shape or form like any type of competing provision, which is perhaps why, over the past few years, the previous Government encouraged a large number of organisations, including charitable and non-governmental organisations, to take funds from the centre, so that they were that tiny bit more reliant on what the central Government hand gave them. I wonder how much money is taken by charities from central Government, as my hon. Friend the Member for Bedford (Richard Fuller) described. Perhaps that is why Opposition Members are more focused on dependence on the centre.

There are many hindrances to the big society. We live in a society with a "Make a mistake and I'll sue mentality", which the previous Government encouraged in legislation. We therefore need massive public liability insurance. I am a soccer referee, and I must have extra public liability insurance just to put on my kit and blow a whistle every Saturday afternoon, in case a player injures himself while under my control and tries to sue me.

We need proposals to fix health and safety requirements, the massive number of Criminal Records Bureau checks, which I believe we are beginning to sort out, and the bureaucracy that many hon. Members have described. We also need to simplify gift aid to make it easier for everyone to give, and to encourage businesses to allow their staff to volunteer—DHL has a fantastic policy on that.

In my time in the House, I have been constantly surprised by the fact that those who work the hardest in society, and who have the least net disposable income—the "squeezed middle", as I have heard someone call them—are the ones who go out of their way to give time to and help their communities. Those people are the big society. A number of Opposition Members asked who they are, and what the big society is, and then managed to define it in individual cases.

In my constituency, it is dead simple. The big society is a lady called Fiona Tompkinson, who is spending 10 days walking the great wall of China for Springboard, which is a charity, or it is Eydon village community soup kitchen, which raised money last week for the upkeep of a local church, or it is Nigel Smilie and Trevor Rowden, who are climbing Mount Kilimanjaro for the Daniel Worrall Memorial Trust, which was set up after a young lad aged just 20 was killed in a road accident. He was a keen sportsman, and he would love the fact that the trust in his name raises money for better sporting facilities for young people in his village. The Phoenix Centre, hospices, rotary clubs, Home-Start, Take Time to Make Time, which is a time bank, Diversity Fitness 4 Life, Brushes and Spades, which will make an old lady's garden look a lot better in springtime, are all wonderful organisations. If one scratches the skin of the society of Daventry, one comes to the wonderful rich fabric that is the big society, which does exist. There are national organisations such as the Special Olympics that are sponsored by big business, including Coca-Cola and the National Grid, but contribute massively to the betterment of life for those with a learning disability.

Therefore, there is a big society out there and I welcome the motion and congratulate my hon. Friend the Member for Dover (Charlie Elphicke) on securing it.

9.5 pm

Jacob Rees-Mogg (North East Somerset) (Con): This debate is ideological. It was a Labour Cabinet Minister who said that the man in Whitehall really does know best. What we are talking about here—it is one of the reasons the Liberal Democrats are such an important part of the coalition; it is one of the biggest areas where we agree—is the philosophical split between those of us in the coalition who believe that the state is built bottom up, and our socialist friends who think that the state is created top down.

If we go back to the beginnings of society—man in a state of nature—we see that there is no government, but there is society. Man is a political animal. There is society in our earliest history and forms. Government comes later. The problem with government is that, when it comes, it binds. Let us recall the image of Gulliver when he is bound down by the Lilliputians. Thousands of little people have crawled all over him and tied his hair to the beach. They have put ropes over him so he is stuck—he is tied down. That is what we saw in 13 years of socialist Government. The view was that, if it was not done by the state, it was bad.

We have heard a great array of examples from my right hon. and hon. Friends of what that means: the insurance policies for referees; and my hon. Friend the Member for Battersea (Jane Ellison) needing £2 million of insurance. We have heard about the CRB checks. Bell ringers in my constituency are worried about having any children come to ring bells. Although large numbers of them ring together, they are frightened that the big state may not approve and may not say yes. We have data protection. I know that fellow rotarians are here in the House this evening. My own rotary club, Midsomer Norton and Radstock, takes old people shopping—a good thing to do, one would have thought. Members of the rotary club go around to local churches and ask, "Are there any elderly people who might need a hand?" What is the response? It is, "We are not allowed to give you the names of the old and the lonely because of data protection, because the man in Whitehall, who knows best, is fearful that you have evil intent and he will not allow that to happen." That is why the big society is so important.

If we believe that society is built by individuals, their families, through communities, they are the ones who should make the decisions, raise the money and spend it according to the needs of their communities. One of the great cankers of socialism was that it took over the funding as well. Then we get into the argument about cuts, which is the great confusion in relation to the big society. It is a bad idea for charities to receive most of their funding from Her Majesty's Government because, as soon as they do, they become agents of the state and lose their independent action. They become subject to the rules, regulations and disbursement requirements that are set upon them by Governments. All that must be swept away. The Minister must cut Gulliver free. Gulliver's hair must be released. He must be unbound. He must be able to stand up and stride forth.

Stephen Pound: As ever, the House is so much in the hon. Gentleman's debt as we move from the noble savage to "Prometheus Unbound", spanning as we do Somerset rotary clubs. The logic of his comments would appear to be, and I speak as a proud member of Greenford rotary club, that we should, for example, get rid of the Charity Commission, because surely the dead hand of the state would apply just as much to that commission. Is he suggesting that it be cast into the dustbin of history?

Jacob Rees-Mogg: The hon. Gentleman and fellow rotarian makes an excellent point. I hope that the Minister will consider thorough reform of the Charity Commission—set the people free!

9.9 pm

Robert Halfon (Harlow) (Con): It is relatively easy to draw up legislation to increase taxation on the banks, but it is much harder to draft a big society Bill. Unlike my hon. Friends the Members for North East Somerset (Jacob Rees-Mogg) and for Hereford and South Herefordshire (Jesse Norman), I am quite a simple man. I am not a philosopher, so I am going to offer a doorstep definition of the big society. First, the big society says that social capital—the glue that strengthens community and binds us together—is as important as economic capital. We cannot have one without the other, because capitalism works best with strong communities.

Secondly, the big society believes that people power is as effective, if not more so, than state power, which means devolving power to individuals to make decisions. Lower taxes, for example, give us more economic power and direct political devolution for individuals and communities means more social power. Thirdly, the big society gives as much impetus to social entrepreneurs—those who use social action to transform their communities—as it does to economic entrepreneurs. Social action is as essential as economic action, and it must be incentivised. I want to deal with those three factors in turn.

First, if economic capital is about the level of wealth, social capital is about the level of community. Robert Putnam has been mentioned this afternoon, and he defines social capital as the

> "collective value of all social networks, and the inclinations that arise from these networks to do things for each other."

That means strong families, strong ties between neighbours, vibrant voluntary associations, and schools as the focal point for community endeavour. We cannot find a better example than the market. When we think about old-fashioned street markets, of course they were about buying and selling, but they were an essential part of social capital too, as they brought people together. The internet is a modern market and online community.

Secondly, the big society believes that people power is as important, if not more so, than state power, which means devolving power, not just to local versions of Whitehall but directly to individuals to make decisions. Just as lower taxes give individuals more economic power, direct political devolution to individuals and communities means more social power. Something that will make that a reality is the mutualisation of the state, as touched on by my hon. Friend the Member for Dover (Charlie Elphicke), which could lead to a fundamental shift of power, because people power is Robin Hood politics. A new wave of co-operatives will shift ownership from the Whitehall bosses to the workers; from the inherited monopoly of the establishment to the striving classes.

Thirdly, on social entrepreneurs, if the state cannot legislate the big society into existence, it can create the conditions to make it flourish. My own local council in Harlow has launched a big society team and is working with the umbrella Rainbow Services charity to nurture civic action in our town with over 160 smaller charities and community organisations. We must break the state monopoly on the provision of services. Instead of "Tesco charities" with £1 million budgets that have become indistinguishable from Government Departments, funds must cascade down to the grass roots. In the UK, just 6% of charities receive almost 90% of the total annual income, and much of that comes from the state, so I urge the Minister, as we open up billions of pounds of Government contracts, to give the fairest chance to the smallest charities.

We must also do more in partnership with the trade unions. Setting aside the Bob Crows and the militants for a moment, what are trade unionists, if not members of friendly societies and social entrepreneurs? I am a member of Prospect, and I believe that, as Conservatives, we should embrace sensible unions because, at their best, they are examples of the big society in action, as voluntary associations that work for their membership.

In conclusion, it was the architect of the welfare state, William Beveridge, who said:

> "Vigour and abundance of voluntary action…, individually and in association with other citizens…, are the distinguishing marks of a free society."

Social capital, people power and social entrepreneurs—this is the big society in action. As has been said, the big society is not new, but has been thriving for years. However, we need a Cabinet-level enforcer to drive implementation through Government, and we need an impact assessment for all new legislation on how it will help to build the big society. There are many other possibilities, however, such as turning the big society bank into a big credit union that could work with local credit unions at a grass-roots level, asking websites such as eBay and JustGiving to offer matching services for big society donations, or even helping communities to set up labour exchanges.

Last week, I attended a public meeting with a group called Harlow Council Watch. The people there were worried that the big society would be all about the great and the good, and large charities operating on a regional scale. The big society is not just a part of the national conversation. It will work only if it builds the little society as well. I hope that the Government's policies are designed to reinvigorate the small charities and community groups—the little society that is the bedrock of social capital in the United Kingdom.

9.16 pm

Penny Mordaunt (Portsmouth North) (Con): I want to start by addressing the criticism of the big society that it breaches the principle of additionality—that it treads on the state's turf and requires the public to perform do-it-yourself public services. The debate on additionality is not a new one. We started this debate by hearing about air ambulances, and if we go into any hospital around the country we will probably find that the curtains around the beds have been purchased by the League of Friends. Furthermore, many health charities are providing services, including patient and health care education, care and support. Mention those services to the general public, and we will get a very mixed reaction. Some people will think that the state is providing those services, some will think that it should be providing them, and others that the state is claiming that it is doing those services.

When charities breach that principle of additionality and step in to provide those services, it is they who get criticised. They are being criticised sometimes by their own organisations. The head office phones up a local branch that has just bought something for the local hospital and says, "You are letting the Government off the hook. This should be provided under a national service framework." A focus is not put on what the state has, or has not, been doing, and there is very little focus on why the state has failed to deliver those services. I hope that a side effect of a debate about the big society will be that we get more focused on what the state should be doing.

We have a reality gap. We have an NHS constitution that is supposed to enshrine and guarantee treatments approved by the National Institute for Health and Clinical Excellence, and in certain circumstances access to non-NICE-approved treatment. However, we know from our mailbags that that sometimes does not happen. We pay our taxes to support an education system that is supposed to provide education to every child according to their need, but the parent of a special needs child will know how hard it can be to get the right provision for their child. The list of what we want our local authorities to fund—whether flowerbeds or community centres—is year on year becoming less fulfilled. That is the case no matter what the colour of the Government of the time or, very often, the colour of local authority government.

I think that local and national Government need to do fewer things better. At a time when we are cutting services for people with dementia, we could probably do without the local street-naming team in my local authority. In areas where the Government take responsibility, they should be working to meet all the needs out there. In my local authority's budget this year, under budget pressures, much was made of the ageing population and the prediction that, over the next five years, there would be 200 additional adult social care clients for whom the authority would have to provide services. However, there was not a squeak about the existing 1,500 people with dementia, but no access to services. If we are going to focus on and address that need, and close that gap, we have to enable charities to be on both the demand and the supply side of those services.

As my hon. Friend the Member for Bedford (Richard Fuller) mentioned, we need to create a level playing field. We need to ensure that charities hear about the opportunities for them to tender, and that when they submit bids according to best practice, having costed for full cost recovery, they are not the only bidder doing so. We need greater scrutiny of tenders to ensure that we are comparing like with like, and that organisations are not undercutting charities, only to pile on the costs once they have won a bid. There should be penalties for organisations that do that.

We should also allow organisations that are on approved provider rosters not to bid, without penalty, if they do not think that they are the best outfit for the job. Penalising people for not bidding is completely wrong. As we build capacity in the charities sector, I urge the Minister to look at organisations such as Community First that are already doing a tremendous amount of work in this area, and to give them some resources so that they can speed up their work.

We also need to build capacity in our communities. I want briefly to mention Wymering in my constituency, which has already been short-changed to the tune of £400,000 of section 106 money. Its community centre has been burned to the ground, but the resulting insurance money was not spent on those services. The historic buildings in the vicinity are continuously under threat, the most imminent case being that of the Wymering Arms, which will go before the local planning committee this Wednesday. We have a plan to take over some of those community buildings and refurbish those that are derelict. Some of them are listed buildings. There is great support for the plan from the community, but to date it has not really felt that it can step up and do those things. The people do not feel that they have the resources to do them, but if we were to introduce them to high-value donors, business leaders and charity fundraisers, that work could become possible. In addition to the big society enabling us to meet the wish-lists of our communities, which has never been achieved by any Government before, it should also be a catalyst to enable the Government to do their job better.

9.22 pm

Mel Stride (Central Devon) (Con): I welcome the opportunity to take part in this debate, and I congratulate my hon. Friend the Member for Dover (Charlie Elphicke) on securing it and on shamelessly promoting the port of Dover throughout his opening address. Before I became a Member of this House, I knew that the port of Dover was important. After two months here, I knew that it was very important. After tonight, I know that it is perhaps the most important entity in the entire country, if not the entire world. I thank him for educating me on that.

There are some on the Opposition Benches who I believe also need educating, particularly having heard their rather thin arguments against the big society, including, first and foremost, that it lacks any clear definition. That charge was levelled by the hon. Members for Walthamstow (Stella Creasy) and for Ynys Môn (Albert Owen). We have heard many Members today speaking eloquently about community empowerment, about opening up public services and about social action. Those are very clear definitions of what the big society is about. I accept, however, that the Government need to get better at communicating this message succinctly, particularly when we are in front of left-wing journalists from the BBC or the newspapers. We have to roll it out in a snappy two or three-sentence version in order to get it right.

We have heard a great deal about the big society simply being a fig leaf for cuts, yet many Opposition Members have accepted that the Prime Minister was talking about the big society well before there was any obvious need for cuts of this size due to the profligacy of the previous Administration. The big society is about a great deal more than simply resourcing. It is about the way in which society is organised and the way in which organisations are structured. It is about getting rid of top-down command and control, and replacing it with the empowerment of individuals, families and communities. It has also been suggested that we are on some kind of ideological crusade to attack the state. We are not on any such crusade, but implicit in a belief in the big society is an acceptance that the state has, in part, failed, that it is not perfect and that it has its limitations.

I want to dwell briefly on some of the work that was carried out after the second world war by a gentleman called Michael Young, who might be familiar to some Opposition Members. He was one of the authors of the 1945 Labour party manifesto. He went into Bethnal Green in the east end of London and sought out the deprivation that was to be the subject of his study. He interviewed members of every 36th household in the area. He certainly found deprivation there, but he also found something even more important—something he had not expressly sought to find out. What he found was best exemplified by an interview with a young boy who lived outside the area, who came home from the local school and said that his teacher had asked him and all the other children to draw their families. He said, "I drew myself; I drew my mother; and I drew my father", but all the other children had drawn their mothers and fathers, nannies and aunties, grannies and so forth. Of course, what he was led to enunciate at that point was the big society—the extended family, the communities living in the east end at that time.

The socialist top-down approach to that problem was to destroy it all, bulldoze it and build the high-rise buildings that the socialist planners wanted to build, yet many of them were subsequently destroyed—exploded in the '70s and '80s. It seems to me that one of the most important things to grasp about the big society is the need to get away from that command-and-control, "we know best for you" mentality and to empower individuals, families and communities to take those decisions for themselves. That is why I particularly welcome the Localism Bill as part of the big society idea. I will conclude there to allow other Members to speak.

9.26 pm

Fiona Bruce (Congleton) (Con): I welcome this debate, highlighting as it has the excellent community work done across constituencies that are represented on both sides of the House. I congratulate my hon. Friend the Member for Dover (Charlie Elphicke), who has recently returned to his place, on securing the debate and I congratulate my hon. Friend the Minister who has remained steadfastly in his place throughout the almost six hours of this debate.

I hope that the debate will serve to deter critics of the big society from making political points by wilfully misunderstanding what the big society is all about. Such attitudes denigrate and disrespect those who, day by day, help to make our society worth living in by giving communities a quality of life that would be otherwise unattainable. I use the phrase "quality of life" advisedly. For some years in the recent past, we have increasingly associated quality of life or success or someone's individual value in our society too closely with material accumulation, social status, fashionable glitz and glamour, brash business attitudes, career ladder climbing and so forth.

Some of those measurements of success are not necessarily bad in and of themselves. If, however, they are used as disproportionate yardsticks of what it means for an individual to be successful and to have value in our society and for us to be a strong, healthy and successful society together, then I suggest that it is time for a robust re-evaluation of what quality of life means. The current debate about the big society across the country offers, if we grasp it, a real opportunity to do so. For that reason, I welcome today's debate.

Striving to attain today's so-called aspirational lifestyles, which are held up as exemplars particularly to our young people, sadly all-too-often involves not only disposable material possessions, but also disposable relationships. That poses the often raised question of whether, as a result, we are any happier or more fulfilled as a society today.

High levels of alcohol and drug abuse, self-harm, a lack of self-esteem, relationship breakdown and profound loneliness across every generation provide at least part of the answer to that question.

I believe that somewhere along the way, we have lost something of the essence of the values which really make a society work: values like care, commitment, sharing and a place where every individual is given the opportunity and the capacity to play their part, whatever it may be—a part for which they are uniquely skilled and that only they can play.

Somewhere along the way, too, we may have forgotten that our most basic human need is to be loved and to feel that we matter to someone or, ideally, to a group of people. Linked to that is the need for us to feel that within that group of people, we have a purpose and a role. Is a premier league footballer worth any more or less as a person than, Dave Mairs, who several times a week coaches in the Cheshire boys league and has for years supported, encouraged and cajoled—and sometimes had to discipline—a football team of young boys? I do not think so.

Why do I say all this now? I say it because I believe that the big society holds the key to many of our contemporary challenges. Our understanding of what success means in a strong, healthy and positive society, and the positive contribution that each individual can uniquely bring to it, is, I suggest, largely what the big society is all about.

9.30 pm

Bob Russell (Colchester) (LD): Every voluntary organisation and charity that I know relies on people of all political persuasions and none. I therefore regret the attempt by some Members on both sides of the House to make party-political claims for the voluntary sector. In my experience, some volunteers are members of political parties, but some—in fact, most—are not. However, the political parties of which we are members could be described as voluntary organisations. None of us would be Members of Parliament if it were not for volunteers, so let us give a hurrah for all the volunteers in our respective political parties.

[Bob Russell]

Because we are short of time, I suggest that my colleagues read the report of the excellent Adjournment debate on the voluntary sector that I initiated about 10 years ago.

Finally, let me mention St Helena hospice in my constituency, which will celebrate its 25th anniversary in April and which relies on 800 volunteers. Let me also mention the Colchester *Gazette*, which, along with Colchester Trinity rotary club, is inviting people to nominate community champions. I suggest that other local newspapers throughout the country do the same.

9.31 pm

Priti Patel (Witham) (Con): Let me say in the short time available to me that I welcome the emphasis that the Government are rightly placing on the promotion of even more community action and volunteering, and their focus on enhancing such participation. We have had an incredible debate, which has raised the need to give recognition where it is due and to celebrate the long-standing culture of community engagement and participation throughout our country.

Regardless of who is in charge—at Government level, or even in our local town halls—and regardless of the financial climate, many organisations are clearly improving the quality of life of our constituents. I pay tribute to them for their sterling work, and the praiseworthy way in which they participate as individuals and give their time selflessly to making a tremendous difference to our communities and local lives. Shortage of time prevents me from naming them all, but I invite the Minister to visit my constituency and meet many of the people who work for them, as well as representatives of some of the businesses at the heart of my constituency which contribute through charitable giving and allowing their employees to work for those organisations as volunteers.

My constituency contains many vibrant organisations, including citizens advice bureaux covering the borough of Colchester and the district of Braintree and Maldon, and charities such as Brainwave, Home-Start, Crossroads Care, St John Ambulance, my local rotary club—Witham Lions club—Tiptree youth club and an organisation called Mid Essex Talking News. As I have said, businesses give money to and support such organisations, but Government could clearly do more to assist them.

I echo the hon. Member for Colchester (Bob Russell) in referring to the tremendous role played by local newspapers in publicising the importance of community engagement and local groups such as charities and voluntary organisations. They are part of the glue that binds many community groups together and an outlet for reports of engagement and participation.

Last week, the recess gave me a fantastic opportunity to meet groups in my constituency, which have been local champions when it comes to issues that matter to them for many years. We have heard much about the role of the state, and the essential rebalancing of the relationship between the state and community groups, but these organisations know their communities best. They do not need a state-run agency or a bureaucracy to determine the right outcomes for them, which is why I welcome the Government's steps to empower communities further.

9.35 pm

Roberta Blackman-Woods (City of Durham) (Lab): I congratulate the hon. Member for Dover (Charlie Elphicke) and the Backbench Business Committee on securing today's debate on what is clearly an important issue. There has been a degree of cross-party consensus, but there are also a number of points on which we have diverged, and I shall deal with them shortly.

Although the Government coined the term the big society, they did not invent the concept. Many hon. Members have pointed to the fact that this is not a new idea. The truth is that for volunteers and for charitable and voluntary organisations across the country, the big society already exists and has done for a long time. They know that, because every day throughout the country they are delivering the big society in our communities. Indeed, much of the language of the big society simply builds on a rich tradition in this country of community, localism, co-operation and building a better society for all.

Many hon. Friends have highlighted that in their contributions. My hon. Friends the Members for Dagenham and Rainham (Jon Cruddas), for Newport West (Paul Flynn), for Leicester West (Liz Kendall), for Makerfield (Yvonne Fovargue), for Stoke-on-Trent Central (Tristram Hunt), for Walthamstow (Stella Creasy), for Darlington (Mrs Chapman), for Glasgow North East (Mr Bain), for Bolton West (Julie Hilling), for Scunthorpe (Nic Dakin), for Vale of Clwyd (Chris Ruane) and for Ynys Môn (Albert Owen) highlighted the need for the state and civil society to work together to tackle social problems, improve services and empower our communities. They demonstrated an outstanding grasp of the need for voluntary sector organisations and communities to have a framework of support, and not to be just left on their own. We also heard a number of erudite speeches demonstrating our strong philosophical basis for encouraging active citizenship.

Many Government Members, including the hon. Members for Dover, for Penrith and The Border (Rory Stewart), for Stourbridge (Margot James), for Pudsey (Stuart Andrew), for Erewash (Jessica Lee), for Hereford and South Herefordshire (Jesse Norman), for Bristol North West (Charlotte Leslie) and for Battersea (Jane Ellison), rightly paid tribute to the excellent work undertaken by volunteers in their constituencies. However, they failed to grasp the notion that the state can facilitate voluntary activity and community enterprise. We heard only about the repressive nature of the state, not that it could support communities in being more vibrant.

The previous Labour Government understood the voluntary sector, particularly its expertise and ability to be flexible and innovative, and we worked hard to support it. How much we valued the sector is highlighted by the fact that in our 13 years in office we more than doubled funding to it and created the Office of the Third Sector—now the Office for Civil Society—in the Cabinet Office. Labour was not content to rest on its laurels, however. Before we left office, we set out radical plans for boosting funding, volunteers and asset transfers to the third sector. We also designed the social investment bank and launched the first social impact bonds. We used the asset register to begin identifying assets to transfer to the third sector, and we announced that we would mutualise British Waterways. We pioneered community service for young people, which was established as "v", and began a census on volunteering so that areas would know about the nature and extent of volunteering locally.

The current Government are to some extent continuing what we started in office through their broad direction of travel, such as by encouraging volunteering, supporting and seeking to expand the number of social enterprises and third sector organisations, and looking at ways to enhance the role of mutuals and employee-owned companies. That is why we support the motion—encouraging a greater sense of community and more partnership with the voluntary sector is something we should all support.

Even before this Government took office, they trumpeted the big society, and in office they point to it as a central tenet of their policy agenda. Yet earlier this month, the Prime Minister had again to defend the notion against persistent criticism, even though he has declared the big society his central "mission". Given the six years that he has apparently been thinking about this idea, one can only wonder why, in office, he is not clearer about how to execute it. There is a gaping chasm between the well-meaning intentions of the hon. Member for Dover and his motion, and the reality of his party's economic policy.

When the Minister, whom we will hear from shortly, was asked two weeks ago on the radio if the big society was in trouble, he flatly denied it, saying:

"I don't think there's a problem".

However, the truth is that the Government are in danger of undermining the big society if they do not pay more attention to three things, the first of which is developing an infrastructure of support for the voluntary and community sector. The Government have not given enough time for the voluntary sector and communities to develop new models of operation or to plan effectively for their futures in the new world. They should be working together in partnership with the voluntary sector and constructing frameworks of support, rather than adopting the "sink or swim" mindset we have seen so far.

The Opposition see a key role for social enterprises and mutuals in improving service delivery. This means supporting social enterprises and mutuals and helping them to improve service delivery, and seeing a key role for community organisers in helping communities to articulate their needs and shape services. The Opposition also recognise that new jobs can be grown, including in disadvantaged areas, in order to promote employment, and that this can be done through the social enterprise model. We see this as a partnership approach, with the state acting as a key player in helping voluntary activity to flourish. That contrasts with an approach, much seen of late from the Conservative party and demonstrated in a number of speeches today, that advocates a withdrawal of the state and a characterisation of it as overburdening and a barrier to voluntary activity. The state can sometimes act in a way that is not helpful, but that is not always the case, and it can be encouraged to behave differently.

Damian Collins: Will the hon. Lady give way?

Roberta Blackman-Woods: Very briefly, because we are running out of time.

Damian Collins: On that point, are there any areas of deregulation that the hon. Lady can identify where she thinks we should move back from the agenda established by the previous Government?

Roberta Blackman-Woods: The hon. Gentleman makes an interesting point, and we can always look at ways in which the state or central Government can better facilitate voluntary activity.

Our approach is based on the view that involving the voluntary and community sector more in public service delivery helps to create more responsive public services that are better geared to meet the needs of the communities they serve. This is not simply an ideological rejection of the state, as we often hear from the Conservatives and as exemplified in the amendment tabled by the hon. Member for Christchurch (Mr Chope) and others, which was not selected for discussion today. Our partnership model, therefore, does not require an abandonment of the belief that the state should be the ultimate safety net in delivering vital public services.

We, too, recognise the need to make commissioning more community-oriented, and we therefore welcome the debate that has already begun in government about how to commission services with greater involvement from local communities. This is an important step forward, although much of what has been written and said so far does not seem to reflect the complexities existing in our neighbourhoods and the diversity of voices they contain. It is essential that commissioning involves more than listening to those with the loudest voices.

We also recognise the need to expand philanthropy and individual generosity, but that should not be the whole story. We need a sensible alliance between Government and the voluntary sector to encourage entrepreneurial activity in a way that promotes social values and empowers our communities. Labour recognises that the Government are starting to do this with the big society bank—taking over our idea of a social investment bank—but we also know that it is not going to be operational until much later this year and that the money it will dispense will not make up for the huge amount being lost to the sector through cuts to central and local government funding. So the Government need to address how the big society is being undermined through the cuts

The Government also need to look at how the big society agenda is not really engaging with the equalities agenda. That is important, because communities do not start from a level playing field, and the Government need to do more to recognise that some of the cuts have fallen disproportionately on the poorest communities, which therefore need additional support.

In conclusion, we should all recognise that where we have unresponsive or poor public services, they should be changed and other providers brought in, but we also all need to recognise that the state has a role to play in mediating the vagaries of the market and tackling social injustice and inequality. We need the state and civil society to work together. Simply withdrawing state services and funding before leaving voluntary and community organisations to pick up the pieces will not make our society bigger or better.

9.46 pm

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): We have heard 39 speeches—I did count them—which were often lofty, sometimes earthy and always interesting; I thank the Backbench Business Committee and congratulate my hon. Friend the Member for Dover (Charlie Elphicke). In the short time available, I wish to make three quick points in response to an excellent debate.

First, I wish to express a personal conviction. I really believe that we have barely scratched the surface of what can be achieved in this country if we strike a more effective and balanced partnership between government, business and civil society, including active citizens in our communities who want to get more involved. That is what we are working towards, because we need a new approach to tackle the entrenched social challenges that we face. As many speakers have said, relying on big government and "Whitehall knows best" just has not worked well enough, and it must be time to make better use of the talents and resources of this country. Of course this will involve a big culture change and it will not happen overnight, which brings me to my second point.

The new approach requires strong leadership from government, and not a traditional top-down programme; to make this work we have to redistribute power in a bold and genuine way, to allow communities to take more control and to recast government so that it supports community action, rather than stifles it. That is now happening and it is being built on three core strands, the first of which is the transfer of real power to communities.

First, power is being transferred in the form of information. Whether we are talking about crime maps, departmental business plans or detailed breakdowns of local authority spending, our constituents already have more information than ever before on what is being done in their name. With that comes the power to act and challenge, and the Localism Bill offers people new rights and opportunities to take more control, not least in the planning process. That is being supported by a new attitude from government which asks, "How can we help?", rather than saying, "You can't do that." That is why it was right to review the health and safety regulations and the vetting and barring regime. It was encouraging to see the Department for Communities and Local Government immediately set up a new bureaucracy-busting service and challenge communities to tell it what is getting in the way, and 140 communities have already engaged in that process.

The second strand of Government action is fundamental public service reform. Yes, we do believe that we can deliver better public services by opening up the market to competition and new providers, including social enterprises, mutuals and the voluntary sector. We do believe in giving communities and front-line professionals much greater freedom to meet local need. We also want to get the public more involved in shaping the services they use, whether that be through personal budgets or greater involvement in how resources are allocated and services are commissioned. We will soon be publishing a White Paper on public service reform, which will set out our plans in more detail. All I will say for now is that when one visits social enterprises such as Zest in Sheffield, which is delivering public services in a fantastically fresh way, the two senior nurses who have set up their own social enterprise in Leicester or a group of public agencies in Calderdale working together to shape a new service on debt advice, one has a strong sense of how much better things could be if we gave people at the sharp end much greater freedom and responsibility.

The third strand of action is about encouraging more social action in our communities. Of course we are not inventing anything new: this is about building on the fantastic work done in constituencies across the country by dedicated people who know the value of giving time and/or money to help others. We want to encourage a step change in attitudes to giving both time and money. Our recent Green Paper set out how government can help in traditional and non-traditional ways, such as by setting up new match funding schemes to encourage local endowments and private sector support for volunteering projects or by encouraging civil servants to get more involved in community service, thereby setting an example to other employers. The national citizen service has enormous potential to connect our teenagers with their power to make a contribution to the community. Our Communities First programme will give more deprived neighbourhoods access to a new grant programme that will help them to implement their own plans, supported by community organisers whose job will be to build local networks and leadership, encouraging people to come together and take action.

Albert Owen: Will the Minister give way?

Mr Hurd: I am afraid that I have no time for interventions if I am to give the last Back Bencher the chance to wind up the debate.

We are going further than the three strands I have discussed. The hon. Member for Dagenham and Rainham (Jon Cruddas) talked about business having a bigger role. On 2 December, the Prime Minister made an important speech to business, setting out a new deal, Every Business Commits, challenging business to step up and play a bigger part in helping to tackle the social challenges of the day. Since then, the biggest banks have pledged £200 million to help to capitalise the big society bank, and businesses in the community are actively developing, in response to that speech, a network of business connectors—individuals who can make connections between local businesses and local organisations that need support.

That brings me to the role of the voluntary and community sector and the need to support it through what is, as many hon. Members have pointed out, an extremely difficult and challenging time. We should not forget that the majority of the voluntary sector does its valuable work with no help from the taxpayer at all, but many of our constituents will be surprised to learn that the sector receives almost £13 billion in public money, before the benefits of gift aid are counted. Faced with the monstrous legacy of a deficit that costs us £120 million a day in interest alone, we have always been clear that the sector cannot be immune from the need to find savings on that scale.

I know from my everyday contact and conversations with the sector that it is most anxious about cuts at the local level. We cannot control local authorities, but we have given a very strong steer that we do not expect them to cut the sector disproportionately. Many local authorities, such as Reading and Wiltshire, have confirmed that they will be maintaining or even increasing their investment. However, many have taken a different course. With our new transparency requirements, local communities will be able to see how their council has responded to the tough choices before it and to make their own judgments.

We are not laissez-faire about this issue. We see the voluntary and community sector as a key partner in this new partnership and we are actively trying to help it manage a very difficult transition by making it easier to run a social enterprise or voluntary sector organisation. Lord Hodgson will soon report to me with ideas on how to cut red tape for small charities, and we will continue to invest in the infrastructure that exists to support front-line organisation, trying to make it more effective. We have set aside £100 million as a transition fund to give a lifeline to the organisations that are most vulnerable to cuts. We are actively considering what we can do to encourage giving and a White Paper will be published after the Budget.

We are in the process of setting up the big society bank with £200 million of capital from the private sector and an expected £400 million from dormant bank accounts. Our recently published social investment strategy document sets out the role we see for it in growing the social investment market, thereby making it easier for social entrepreneurs to access capital. We want to make it easier for charities and social enterprises to work with government and we will soon publish our response to a consultation on the changes to the commissioning process needed to level the playing field and reduce the ridiculous amount of bureaucracy in the system.

There is no getting away from the short-term pain that a number of charities and social enterprises are feeling, but we want to work with them and help them to take advantage of the serious long-term opportunities that the big society agenda offers. They include the chance to deliver more public services, the chance to mobilise people and win arguments at the local level about what priorities should be and the chance to benefit from the time and money that we hope people will give more of in future. The Government are doing a huge amount to create the right conditions for this rebalancing of power and responsibility.

My final point is that this is not a Government programme, however important our lead is. It depends on a grass-roots local response from organisations and individuals who see a chance to do things in a better way. It is too early to say how high or far the bird that my hon. Friend the Member for Penrith and The Border (Rory Stewart) described will fly. It will take time, but we believe that we are going with the grain of what people want—more open, efficient government, better connected communities with people looking out for each other, more respect for the voice of the citizen, giving people real power to make a difference to the things that they care about, and a greater sense of togetherness at a tremendously challenging time for the country.

Whether we call it big society or stronger society, there ought to be more common ground on the need for a new approach, one based on a wholly positive vision of a better partnership between all elements of society, and a genuine belief in what people can achieve if they are trusted and given the power to make a difference to the things that they care about.

9.55 pm

Guy Opperman (Hexham) (Con): It is rare to have three mentions of John F. Kennedy, or for the philosophers Hobbes, Paine and Burke to feature so heavily in such a debate, for T. S. Eliot to be quoted at will, and for Deng Xiao Ping and Gulliver to slide in at the end, as though important to that part of the debate. It is meant to be about free schools and the Localism Bill. The internet creates an environment that makes it possible for this option to be the way ahead, and for a national citizens service, as well as all the other matters that we are concerned with.

My hon. Friends the Members for Pudsey (Stuart Andrew) and for Crawley (Henry Smith) spoke at length about their background in help for hospice care. My hon. Friend the Member for Pudsey talked about his seven years working at a hospice which had 90% of its support from the public. My hon. Friend the Member for Crawley said that big government must be an enabling Government. Four Members took us on an intellectual high road. The hon. Members for Walthamstow (Stella Creasy) and for Stoke-on-Trent Central (Tristram Hunt), and my hon. Friends the Members for Penrith and The Border (Rory Stewart) and for Hereford and South Herefordshire (Jesse Norman) traded frameworks, criticism, 300 years of history and the extent to which Paine did or did not belong to them. It was an education, to say the least.

The hon. Member for Stoke-on-Trent Central accepted that the Labour Government were over-regulatory and over-zealous in their last few years. It was noticeable that the hon. Member for Darlington (Mrs Chapman) made clear her love of the organisation but posed constructive alternatives, as did the hon. Members for Glasgow North East (Mr Bain), for Makerfield (Yvonne Fovargue) and for Leicester West (Liz Kendall). They all spoke at length and with great bravery and concern of their views on the matter. My hon. Friend the Member for Bristol North West (Charlotte Leslie) came up with a couple of prize comments, such as that we should trust people, as they are more than capable. She wanted a competent state, not a flabby state.

This was a cross-party debate. The hon. Member for Ceredigion (Mr Williams) described how some of the regulations had been relaxed. The Government have made progress. Only two weeks ago I held a debate in Hexham, where 150 people came to talk about the big society. Ten organisations fronted up and several deserve particular citing. I name just one—Humshaugh village shop, which won the Countryside Alliance award for the whole of the north-east for the way it went forward.

We are grateful to the Backbench Business Committee. My hon. Friend the Member for Dover (Charlie Elphicke) deserves great credit for bringing the matter before the House. Interestingly, he was supported by Members from all parts of the House. Everybody should support the motion.

Question put and agreed to.

Resolved,

That this House supports the Big Society, seeking stronger communities where power is decentralised and social action is encouraged.

Mr Speaker: We come now to the Adjournment. There may be a pregnant pause at this point, but I do not want to keep the hon. Member for Walsall South

[Mr Speaker]

(Valerie Vaz) waiting for very long. I should be grateful if Members who are leaving the Chamber would do so quickly and quietly, extending the same courtesy to the hon. Lady as they would want to be extended to them in similar circumstances.

Library Services (Walsall South)

Motion made, and Question proposed, That this House do now adjourn.—*(Mr Goodwill.)*

10 pm

Valerie Vaz (Walsall South) (Lab): Thank you, Mr Speaker, for allowing this Adjournment debate about the libraries in Walsall South. I also thank our own House of Commons Library, which is staffed by qualified professionals, not volunteers. They are experts in their field, and the whole House values the service that they provide.

"Once upon a time" is the phrase used in countless books that children pick up in a library, and for many the library is their first encounter with a book. For parents with young children, it is a social place where they can meet other parents. Children have access to books and toys, librarians suggest books to try and some have even started clubs for young children. For older children, staff run "Children in Summer" reading challenges.

The National Literacy Trust surveyed more than 17,000 pupils and it reported earlier this month that those who use the library are twice as likely to be above-average readers as their peers who do not—18% compared with 9.5%. Furthermore, those who visit libraries are more than twice as likely to read outside class every day—47% compared with 22%. Indeed, Members might be aware of a recent poll, showing that seven of the top 10 most borrowed authors are children's authors.

If we carry on with the threats to our libraries, we will deny the next generation not only the right to be whatever they want to be in their imagination, but their access to knowledge through books. A book first encountered in a library might then be bought as a personal favourite, just as I did when I discovered with my daughter Dylan Thomas's "A Child's Christmas in Wales". If there is to be joined-up government, the Secretary of State for Education should also be concerned about libraries disappearing or changing. Nationally, almost 750,000 people visit a library every day, and, according to the Chartered Institute of Library and Information Professionals, that costs each person through local and national taxation 40p a week.

I shall touch on the statutory duties, because enshrined in the Public Libraries and Museums Act 1964 is

> "the duty of every library authority to provide a comprehensive and efficient library service for all persons desiring to make use thereof".

There is also a duty to encourage adults and children to make full use of the library service, and the relevant Secretary of State has a duty to promote the improvement of libraries. Does the Secretary of State for Culture, Media and Sport have plans to repeal the 1964 Act?

The local authority must also make a statement of what the service is trying to achieve, along with a description of local needs, including the general and specific needs of adults and children who live work and study in the area. So, you can imagine, Mr Speaker, the outcry in Walsall South when the council earmarked six libraries for closure.

In Walsall South there are libraries at Pheasey, Pleck, which serves Alumwell, Darlaston and south Walsall, and the central library is also in my constituency. This issue is not just about books; it is about a way of life and what the libraries represent. With unemployment increasing, they are needed more than ever as a support for development and new skills, and as a free public space for community cohesion.

That is what I found on 5 February outside Pleck library, where the local people wanted to present a petition—now 650 signatures strong—to save their library. Young people, senior citizens, people in work or resting, the local vicar and adults and children with diverse backgrounds and interests, from chess to internet shopping, were there. All were there using the library and protesting against its closure. Inside were a grandparent reading to a two-year-old, a hub of local people engaged in activity, and Councillor Dennis Anson's advice surgery. I, too, have held advice surgeries in the library at Pheasey and in the central library.

In all the libraries in Walsall, there were more than 1 million visitors and more than 1 million books lent out in 2008 to 2010. The Minister has said that people have a right to campaign for their local libraries. Clearly, the council has failed to consult and to make an assessment of local needs.

Mr David Winnick (Walsall North) (Lab): I am very pleased that my hon. Friend has secured this Adjournment debate. Does she accept that there is also much concern in my constituency about the possibility that a number of libraries will be closed there? In view of the very large-scale cuts, announced last Friday, that are now being undertaken by the council, does she agree that there is a fear that further libraries will be closed, be it in her constituency or in mine, and that we are bound to be very concerned about that on behalf of our constituents?

Valerie Vaz: I thank my hon. Friend for his intervention. I agree. There is a threat of closures across the whole of Walsall, including in his constituency and that of the hon. Member for Aldridge-Brownhills (Mr Shepherd).

Consultation should be at a local level with the staff and the users, and it should not just be about how the service is changed to make savings or about how we use different technology. A few days after the Pleck protest, the council said the libraries would be safe for a year, but who knows what is in store for the future? An inquiry into Wirral's library service in 2009 said there was strong case for reviewing the decision on services earmarked for closure when they were located in an area of significant deprivation and when they had interdependent links with schools and children's centres. That could be a description of almost all these libraries. In Walsall, the librarians have to travel from one end of the borough to another, and the cost of travel time and schedules should be looked at as part of the consultation with the staff.

So what of the future? My constituents want libraries to be in buildings that are stand-alone, not part of another service, because they are places to work, to revise—just as I did in Richmond library—and use reference books, and to become skilled in information technology and to discover different types of music. My constituents want the staff to be professionally qualified people who provide them with expertise and support. Volunteers like Hitesh, who set up a chess club for young children, have their place, but they too are not free and would cost money to manage; all volunteers need supervision and training. My constituents want their libraries to be needs-driven, not demand-led, and to remain free. If libraries did charge, this would be a breach of the statutory duty to provide books free of charge for those who live and work in the area. My constituents said to me that they do not recall the closures as being part of any political party's manifesto; they knew nothing about this at the election.

I could have come up with many statistics to make the case for keeping all the libraries, but it is about more than that because libraries are part of our heritage and part of the fabric of society; people have paid their taxes for services such as parks, hospitals and schools for the common good. Everyone, I am sure, has been into a public library at some time in their life. They are not just about borrowing the popular books. The most borrowed classic author was Roald Dahl, but Jane Austen and Shakespeare are also on the list. When the first library in Manchester was opened in 1852, Charles Dickens said that libraries

> "will prove a source of pleasure and improvement in the cottages, the garrets and the cellars of the poorest of our people."

I would add that they are not just for the poor but for everyone.

There are, on one count, 59 Members of this House who have written books. I am sure, Mr Speaker, that you will remember the joke: what is black and white and read all over? Yes, a book, and one hopes those books by my hon. Friends will be read all over—in all the public libraries. Sadly, the Minister is not on that list yet, although his esteemed parents are, but he did have the title of librarian as vice-president of the Oxford Union.

Finally, I would like to remind the Minister of famous librarians, who include politicians Golda Meir and Mao Tse-tung, the philosopher David Hume, and others such as Lewis Carroll, Benjamin Franklin and Jacob Grimm. As with all the best of Grimm's stories, I hope that this one has a happy ending. With apologies to Mr Grimm, I would end as follows: "So the children and adults laughed and cheered as the Minister said, 'Have no fear—your libraries are safe for the future', and everyone in the kingdom was glad. The end."

10.9 pm

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): I am grateful for the chance to respond to the hon. Member for Walsall South (Valerie Vaz). I am grateful to her for calling for this Adjournment debate, which allows me to talk specifically about library provision in Walsall and about library provision in general, about which she made a number of points.

I begin by saying how much I regret that I am not on her list of 59 authors. I am afraid that I took the more relaxed approach to authorship in deciding to be an editor rather than an author. I have edited three volumes: "A Blue Tomorrow", "The Blue Book on Health" and "The Blue Book on Transport". "A Blue Tomorrow", which as you know, Mr Speaker, was the start of the process of Conservative modernisation, reached the dizzy heights of the 20,046th best seller on Amazon. I will, perhaps when I leave my ministerial position or when I leave this House, become an author when I publish my memoirs. I have already thought of the title: "Fun While It Lasted".

[Mr Edward Vaizey]

The hon. Lady made a number of specific points about libraries. I share with her and the hon. Member for Walsall North (Mr Winnick), who is in the Chamber to support her, a passion for libraries. I am a champion of public libraries and I think that we all share a desire to see libraries thrive and survive not only in this tough economic climate, but for ever and a day. We recognise that libraries are neutral spaces and community hubs where people can go. They are not just places for lending books, although that is their essential central function, but places where people can access the internet and music, as the hon. Lady said, and where toddlers, youngsters and adults can access education and information.

To have a sensible debate about libraries, one has to define its terms. One cannot pretend that no library should ever close. In opposition, I never tied myself to a position of opposing every proposed library closure. The previous Government's proposals on the modernisation of libraries, which were published last March, a month before they called the election, stated that

> "the Government recognises that library closures may sometimes be necessary, but closures must form part of a strategic approach to service provision".

We share that position.

The hon. Lady opened her remarks by praising the excellent service of the House of Commons Library. She implied that it is an excellent service because it does not use volunteers. As I am sure she is aware, more than 16,000 people across the country volunteer in their local libraries. I am sure she is also aware that the previous Government's document that was published just in March last year stated:

> "All libraries should consider how best to attract, nurture and utilise volunteers, to complement their workforce."

Again, we share that position. Volunteers are an important element of library provision, but they must never take the place of professionals and must work with them.

What do we mean by a professional? During the important debate that we have had on libraries throughout the country for the past few months, an impression has perhaps been given that libraries should be staffed only by professional librarians. The Government's position is that professionals should work in libraries, but that they do not necessarily all have to be professional librarians. The previous Government's review of public libraries stated:

> "Library services are best when staffed by a mixture of professionals including librarians and people qualified for work in other fields."

Given the advent of technology and the provision of community services, it is important to have a mix of professionals in our library services.

Before the hon. Lady spoke specifically about library provision in Walsall, she asked whether the Government plan to repeal the statutory provision for libraries contained in the Public Libraries and Museums Act 1964. I can tell her categorically that we have no plans to do so. The previous Government did indeed put that statutory provision up for consultation when they reviewed their library plans, but 80% of respondents said that they supported its continued use. The statutory duty remains a very important safety net for the provision of libraries.

Let us be under no illusions about the fact that the library service has suffered over the past decade or so. The number of visits to libraries and the number of adults borrowing books have dropped, and library provision throughout the country has been patchy. It is a local service, and it is up to local authorities to provide a good and comprehensive library service, but some are better than others. The power that I and the Secretary of State have is the statutory duty, which allows us to intervene in the most extreme cases.

One of the things of which I am most proud is that in opposition I encouraged the then Secretary of State to intervene in the case of the Wirral, where the closure of more than half the libraries was proposed. Thanks to that intervention, not only were the library closures halted, but, even more importantly, the report that was produced by Sue Charteris set out some important guidelines on how local authorities should go about their statutory duty. I genuinely believe that those guidelines have put a brake on the number of library closures being proposed. Indeed, I am confident that most local authorities are taking their duties under the 1964 Act very seriously and are examining the Wirral guidelines closely before taking decisions. Library provision in Walsall is no exception to that rule.

Of course, difficult choices are having to be made. Walsall council, like councils up and down the country, is tackling the legacy of the budget deficit left to us by the previous Government. We are having to reduce spending, which is leading to very difficult choices having to be made, and Walsall council is no exception. However, I believe that it is approaching the provision of the public library service in a positive way. I am told, for example, that it plans to invest more than £200,000 in radio frequency identification systems in libraries, which will allow people to check out library books and check them back in again without a librarian having to be present, delivering substantial administrative savings. There is also the possibility of sharing services with other library authorities in the region, an option that I believe is currently being discussed and that I am keen to see encouraged throughout the country.

What is encouraging about the situation in Walsall is that the questions being asked are not about how services can be cut and branches closed but about how services can be maintained and improved, with branches kept open even on a reduced budget. Indeed, I believe that the local authority has announced that there will be no branch closures in the next year, because it has chosen to consult the public on the way forward. I know that the hon. Members present this evening will lead that consultation, hand in hand with the local authority.

The public, whether they are library users or not, will be fully involved in the decision-making process in Walsall, and they will look to their civic leaders to guide them in that process. I understand that the consultation will involve traditional methods, as well as discussions on social networking sites and even by text message. Walsall council appears to be a thoroughly modern local authority, and I do not think many would disagree that that is an admirable attitude to adopt when looking to address budget reductions.

It is all very well for people to talk about their fears for the future of the library service, but I hope that the hon. Member for Walsall South will embrace in good faith the approach that Walsall library is taking. I hope that when she works with her local authority on the future of the library service, she will look around her at the myriad good examples up and down the country of fantastic, forward-looking, dynamic library authorities.

In the previous debate on the big society, I heard my hon. Friend the Member for Hexham (Guy Opperman) say that it had been a cross-party debate, and I believe that the debate about libraries should be such a debate. We should recognise and celebrate the good practice of local authorities, whatever their political complexion. For example, Barking and Dagenham council, which is not as far as I am aware a Conservative local authority, has announced that rather than cutting and closing library branches, it will review its service to explore where efficiencies can be made. I am told that the decision to spare the library service from closures has galvanised enthusiasm in the community, with more volunteers coming forward.

Slough has put its library service out to tender and Essex county council is now due to help to run that service, which will reduce Slough's administration costs. Last September in Ramsey, Cambridgeshire, work began to transform the site of an old cinema into a new library learning centre. In Luton, the new Marsh Farm library opens in just over a month, having been relocated to the local school.

Authorities around the country have library construction and refurbishment projects on the go. Of course, that is happening in places where a review of the library estate may result in fewer library buildings overall, but, like the previous Government, we have always been clear that closures do not signal an automatic breach of the 1964 Act. Sometimes a library authority will close or consider closing a library to ensure a more efficient service in its area.

Leeds, which again is not a Conservative authority, has just consulted on such proposals. Following a strategic assessment of its service, the council proposed redistributing services to provide much better value for money and an improved service offer. As its plans put the viability of a number of low-use, high-cost, small buildings into question, the authority engaged in a meaningful consultation with its communities, so that everybody understood what is proposed and how it could affect them.

Members of the London Libraries Consortium are achieving better value for money. Shared contracts have saved them roughly £1.5 million over five years. Havering, the lead authority in the consortium, has extended opening hours within existing budgets. Being part of that consortium means that those boroughs have 148 branches and nearly 6 million books in stock. With no tender process, no legal fees and support from shared specialists, new partners in the consortium save nearly £50,000.

The fact that authorities are improving their library buildings demonstrates that I am not the only person who still believes not only that our public library service can survive the current climate, but that it can blossom during and after it.

Mr Winnick: I am grateful for the permission of my hon. Friend the Member for Walsall South (Valerie Vaz), who initiated the debated. If the future of libraries in the borough that my hon. Friend and I represent turns out to be somewhat different and less optimistic than the Minister has stated—let us hope not—and if library closures are proposed over the next 12 or 18 months, can we come back to him and meet him, with a delegation if necessary? Obviously, as my hon. Friend has said, this is very serious issue indeed.

Mr Vaizey: I am delighted to meet any Member of the House who wants to discuss their local library service. As I said, my first priority is excellent local library services across the country. I believe that the key to that is sharing best practice across local authorities. I truly admire how Walsall is going about its business, because it is genuinely consulting and not rushing to judgment. It is determined to provide a comprehensive and efficient library service for the people of Walsall, which takes its culture very seriously. I was privileged to visit its new art gallery to see its superb collection. I do not want to reinforce the impression that I am an entirely frivolous figure, but my abiding memory of my visit is the fact people in the lift are told what floor they are on by the voice of Noddy Holder, a former resident of Walsall—*[Interruption.]* I am delighted that you know with which band he plays, Mr Speaker.

Such innovation is going on elsewhere. In Barnsley, for example, a new lift library is opening at Great Houghton later this year in a building that will co-locate a GP practice and a pharmacy, and facilities for district nursing, adult and social services. I heard what the hon. Member for Walsall South said earlier about the need for libraries to be libraries, but I also passionately believe that co-locating with other community services can secure a library's future. Indeed, having a library in a local building can secure that building's future.

Stoke's local service centre and library is also a fine example of what can happen when services are based in a single building. The centre incorporates training and conference rooms and a customer contact facility. I could go on. I could talk about how Windsor and Maidenhead is not closing its libraries but turning all 12 of them into a community service.

Let me also say something about the national debate about library closures. At times it has become very passionate, which is completely understandable. In a slightly perverse way, it is welcome because it reminds not just hon. Members but local councillors how passionately local people care about their libraries. Perhaps it reminds all of us not to neglect a service that perhaps we have taken for granted in the past.

There is genuine work going on behind the scenes. It cannot always be the subject of a press release or statement, but the Museums, Libraries and Archives Council works with a range of local authorities. I will not name them here, but those local authorities have hit the headlines with the number of headline closures that they are proposing, and the Museums, Libraries and Archives Council is having a significant influence on those authorities. I have received calls asking me or the Secretary of State to call in particular proposals. The reason we have resisted that is that we are confident that the MLA is engaging with those local authorities and working with them before they reach a final decision.

May I use this opportunity to put on the record my support and admiration for the leadership of Roy Clare, the chief executive of the MLA? He has been a fine public servant. He served the previous Government incredibly well, thoughtfully and with energy and dedication. Few people in the country know and understand the library service better than he does. I am delighted to have the opportunity to work with him in government.

I said repeatedly in opposition and many more times in government that I am a champion of libraries. I stand by that. My first speech as a Minister was on

[Mr Vaizey]

libraries. My first initiative as a Minister, long before library closures became the subject of national debate, was to put in place the future libraries programme, which is designed to share best practice with local authorities and to raise the profile of library services with local authorities. Campaigners are right to hold their councils to account if they think what is happening in their community is wrong or unfair, but I am confident that local authorities will listen and work closely with the MLA and that, despite some of the pictures of doom and gloom that we read about in the press across the country, in many local authorities there is a thriving, innovative local library service.

I thank the hon. Lady for allowing me the chance to talk about libraries in the Chamber. She is absolutely right to bring to the attention of the House her concerns about the future of library provision in her community. Let us have a sensible and reasoned debate about library provision. Let us not rule out for ever any closure of any library, provided that it is in context and part of a strategic overview. Let us not do down the work of volunteers—the tens of thousands who work in our libraries. Let us have a range of professionals working in our libraries. Let us have libraries that are lending books, helping to educate children and adults, providing safe community spaces, access to technology and to council services. Let us work to encourage local authorities to see libraries not just as an add-on but as central to their provision. As I say, I am confident that that is the case in the vast majority of local authorities up and down the country. Let us tell the good stories about libraries, while maintaining a watchful eye on what is happening in some of the more difficult cases.

Question put and agreed to.

10.29 pm

House adjourned.

House of Commons

Tuesday 1 March 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

DEPUTY PRIME MINISTER

The Deputy Prime Minister was asked—

Parliamentary Constituencies

1. **Gavin Barwell** (Croydon Central) (Con): What recent representations he has received on his proposals to create fewer and more equally sized constituencies. [42561]

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): The last representation that I received on this matter was from Parliament, to say that the Parliamentary Voting System and Constituencies Act 2011 received Royal Assent on 16 February, and I am sure that many Members of this House and the other place were grateful that it did.

Gavin Barwell: Figures published by the Office for National Statistics last Wednesday showed that on 1 December the Wirral—represented in this House by four Members of Parliament—had 239,000 electors, whereas my borough of Croydon, with just three MPs, had 243,000 electors. Can my hon. Friend tell me when the boundary commissions will publish their draft proposals to deal with this shocking injustice?

Mr Harper: My hon. Friend puts his finger on exactly why it was necessary to have more equally sized constituencies across the country, so that voters will have equal weight when they cast their votes. He will know that the boundary commissions have to report finally to Ministers by 1 October 2013. We expect that they will set out their initial proposals some time this year, but that is a matter for the independent boundary commissions.

Graham Stringer (Blackley and Broughton) (Lab): Democratic Audit has said that equalising constituency sizes will lead to chaotic boundaries. Does the Minister think that the Deputy Prime Minister—or, to be more precise, his immediate successor in 2015—will be happy representing not only parts of Fullwood and Broom Hill, but Glossop, 20 miles away?

Mr Harper: I simply do not agree with the premise of the hon. Gentleman's question. The 2011 Act provides for a spread of plus or minus 5% of the quota, which is quite a significant number—around 8,000 electors—so that the boundary commissions can take into account all the traditional things, such as local ties and local government boundaries, but ultimately they have to deliver constituencies of more equal size. At the moment, constituencies can vary by over 50%, which is simply not right.

Recall of MPs

2. **Nadhim Zahawi** (Stratford-on-Avon) (Con): What plans he has to introduce a power for electors in a constituency to recall their elected Member of Parliament. [42562]

5. **Chris Skidmore** (Kingswood) (Con): What plans he has to introduce a power for electors in a constituency to recall their elected Member of Parliament. [42566]

7. **Roberta Blackman-Woods** (City of Durham) (Lab): When he plans to publish his proposals to allow electors in a constituency to recall their elected Member of Parliament. [42568]

The Deputy Prime Minister (Mr Nick Clegg): The Government are committed to bringing forward legislation to introduce a power to recall Members of Parliament. We are currently considering what would be the fairest, and most appropriate and robust, procedure, and we will make a statement soon setting out our plans to establish a recall mechanism.

Nadhim Zahawi: Will the Government's proposals provide a definition of serious wrongdoing, enabling voters to know clearly what could trigger a recall? That is important in providing clarity about what voters can do.

The Deputy Prime Minister: My hon. Friend is exactly right: that is precisely the kind of detail that we need to get right in the Bill. In some cases it is clear: if someone is sentenced to prison for 12 months or more they are automatically disqualified already, under the present rules. There is certainly a case for removing that 12-month cut-off line. If someone is imprisoned for any period, it seems to me that there is a strong case for disqualifying them. The key problem is when wrongdoings do not lead to a prison sentence, and that is exactly why we would want to engage the House authorities, to provide a means by which they could be clearly proven.

Chris Skidmore: In other countries that already have a right of recall, there is a significant annual cost in having departments to administer public petitions. Has the Minister considered making an impact assessment of the annual cost of introducing such a measure?

The Deputy Prime Minister: As my hon. Friend may know, we want the recall mechanism to be based on two simple steps: first, proof that wrongdoing has been committed, as I explained in answer to the previous question; and secondly, a petition by at least 10% of the electors to trigger a by-election in the constituency concerned. That is slightly different from some of the models to which my hon. Friend referred, in California and elsewhere, where there is a much more open-ended process.

Roberta Blackman-Woods: Can the Deputy Prime Minister tell the House whether he still believes that MPs should be recalled for breaking their promises—and if he does, how many Liberal Democrat MPs does he expect would be subject to that system?

The Deputy Prime Minister: The recall mechanism—as supported, I think, in the manifestos of all three parties—is for serious wrongdoing, as I explained in answer to previous questions.

Chris Bryant (Rhondda) (Lab): I am not quite sure that that is right, is it? Did not the Liberal Democrat manifesto say that people would be given the right to sack MPs who had broken the rules? The question then is: who gets to decide who has broken the rules? If, as the right hon. Gentleman says, it is the courts, that is a fairly straightforward process. However, if it was left up to voters, might they not think that if someone promised 3,000 more police officers and then cut 10,000, or promised not to raise VAT and then put it up by 2.5%, they had broken the rules?

The Deputy Prime Minister: As I said before, wrongdoing has clearly been committed if someone is given a prison sentence, and I think that any prison sentence of any length should disqualify MPs. Otherwise, we clearly need to establish a mechanism here in the House to prove serious wrongdoing, and only once that has been established would we grant electors the right, following a petition of 10% of the electors, to trigger a by-election—*[Interruption.]* I think that the hon. Gentleman is asking from a sedentary position whether that mechanism should be without any kind of filtering here in the House. The honest truth is that if we did it like that, and had a sort of free-for-all, there would be a real danger of a lot of vexatious and unjustified claims being made against one Member by others.

Sir Peter Tapsell (Louth and Horncastle) (Con): Will extreme care be taken in the drafting of the legislation to ensure that in absolutely no circumstances will a recall of a Member of Parliament be possible because of the way in which a Member votes or speaks—however objectionably—or because he changes party, as Winston Churchill did on two occasions?

The Deputy Prime Minister: We certainly would not want a recall mechanism that would have disqualified Winston Churchill. Precisely for the reasons that my hon. Friend has alluded to, we need to ensure that the system contains checks and balances so that it does not impinge on the freedom of Members on both sides of the House to speak out and articulate our views. That will not be the purpose of the recall mechanism. Its purpose will be to bear down on serious wrongdoing and to give people a chance to have their say in their own constituencies without having to wait until the next election for an opportunity to do so.

Boundary Reviews

4. **Steve Rotheram** (Liverpool, Walton) (Lab): What estimate he has made of the cost to the public purse of holding constituency boundary reviews every five years. [42565]

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): Our current estimate of the costs of undertaking a boundary review under the Parliamentary Voting System and Constituencies Act 2011 is £11.2 million. We are currently working on that estimate to update it to take into account all the changes made to that legislation in the later stages of its progress through Parliament.

Steve Rotheram: Although it appears that the Deputy Prime Minister has calculated the cost of the changes in pound notes, he does not have a clue about the social cost of his plans, which will lead to the fragmentation of communities as new constituencies cut through historical, political and cultural boundaries simply to achieve his arbitrary arithmetical norm. Does the Minister not wish that he had simply decoupled that part of the Bill to secure his miserable little compromise?

Mr Harper: The reason why I gave the hon. Gentleman an answer in pounds was that his question was about the cost to the public purse, and I was answering that question.

Steve Rotheram: But what is the real cost?

Mr Harper: I do not agree with the premise of the hon. Gentleman's question. There is a 10% margin, plus or minus 5%, within which the independent boundary commissions can take account of factors such as local ties and local government boundaries, but it has to be right that constituencies should be more equal in size. In the part of the world that the hon. Gentleman represents voters have more weight in the House of Commons than they should, compared with those in other parts of the country, and that is simply not right.

Mr Nigel Dodds (Belfast North) (DUP): Does the Minister not agree that holding a boundary review every five years will be a recipe for chaos and uncertainty, given that the number of seats allocated in each country within the United Kingdom could change in that period? That would create great uncertainty among local electors, local authorities and local communities, who will not know what constituency they are going to be in. That will have a direct impact on the make-up of the Northern Ireland Assembly, the Scottish Parliament and the Welsh Assembly.

Mr Harper: There is a choice: we can have either infrequent boundary reviews, which would be more disruptive, or more frequent ones, which—all other things being equal—would be smaller. Clearly the first boundary review, with a change in the rules that will result in a reduction in the number of seats in the House from 650 to 600, will be a fairly significant one. After that, however, boundary reviews will simply reflect the movements of the electorate, and I think that that will be a much less disruptive process.

House of Lords Reform

6. **Paul Blomfield** (Sheffield Central) (Lab): What progress he is making on proposals for the reform of the House of Lords. [42567]

The Deputy Prime Minister (Mr Nick Clegg): The cross-party Committee, which I chair, has been considering proposals for a wholly or mainly elected second Chamber. The Government will publish a draft Bill shortly, which will then be subject to pre-legislative scrutiny. The Government hope that that will be carried out by a Joint Committee of both Houses.

Paul Blomfield: I thank the Deputy Prime Minister for that answer. Will the proposals include a fulfilment of the Liberal Democrat manifesto commitment to a fully elected House of Lords?

The Deputy Prime Minister: From what the hon. Gentleman has said, I take it that he supports 100% election to the other place, which is a great advance on the 0% of elected Members that the Labour Government delivered over the past 13 years. My party's manifesto was very clear about a fully elected House of Lords, so it is no secret that that would be my preference, but as I have explained, we want to proceed with this process on a cross-party basis as much as possible. That is why I have been chairing the cross-party Committee, and why I would like all the proposals in the draft Bill to be subjected to rigorous scrutiny by a Joint Committee of both Houses. My preference is clear, but all I would say to the hon. Gentleman is that, given the fact that the reform of the other place has been stalled for about 150 years, there is always a danger of making the best the enemy of the good.

Mr Peter Bone (Wellingborough) (Con): The Deputy Prime Minister said that it had taken 150 years to get to this stage. May I urge him to take another 150 years before we have to vote?

The Deputy Prime Minister: I do not agree with my hon. Friend, for the simple reason that a principle is at stake—that those who make the laws of the land should be accountable, as is common to bicameral systems across the democratic world, to the people who have to abide by those laws. That is a simple principle. As he knows, we are committed by the coalition agreement to introducing legislation for a wholly or mainly elected House of Lords. As I said, we shall publish a Bill shortly, and it will then be subject to extensive scrutiny by a Joint Committee of both Houses.

Sadiq Khan (Tooting) (Lab): The Deputy Prime Minister has just confirmed what he said at the last Deputy Prime Minister's Questions, which is that he has not made up him mind whether the draft Bill will keep his promise to have a 100% fully elected second Chamber, or whether there will only be a partially elected one.

On another issue of timing, the Deputy Prime Minister has said that he will publish the draft Bill shortly. Before the general election he said that a Bill would be published within six to seven weeks of a new Parliament being formed, and the coalition agreement said that one would be published by December 2010. I know that he is a busy, hard-working Deputy Prime Minister, so when exactly can we expect to see this draft Bill, and what is the reason for the delay?

The Deputy Prime Minister: I profess to being a little surprised, given that the right hon. Gentleman sat in the cross-party Committee that I chair, and I seem to remember that our last meeting was shortly before Christmas. He may profess ignorance of this matter, but he knows very well that the Committee, which I think has been proceeding in a methodical, co-operative and cross-party manner to try to create a cross-party consensus, concluded its work only relatively recently. He attended the last meeting shortly before Christmas, and we are now doing the work in government, which is entirely reasonable, to present a draft Bill based on that Committee's work—and as I said, we shall do that shortly.

Topical Questions

T1. [42441] **Kelvin Hopkins** (Luton North) (Lab): If he will make a statement on his departmental responsibilities.

The Deputy Prime Minister (Mr Nick Clegg): As Deputy Prime Minister, I support the Prime Minister on the full range of Government policies and initiatives. Within that, I take special responsibility for this Government's programme of political and constitutional reform.

Kelvin Hopkins: We have heard that while the Prime Minister was touring the middle east, the Deputy Prime Minister was skiing in the Alps. Does that suggest that the Prime Minister prefers to have the Foreign Secretary in charge, rather than leave the Deputy Prime Minister running the shop?

The Deputy Prime Minister: As for the events of last week, I am sure everyone will agree that we should all pay tribute to the extraordinary courage and professionalism of the armed services personnel who did so much—last week, again this weekend and ongoing now—to secure the safe return of British citizens from Libya, which was the first priority of the Government throughout last week. In the end, I spent just short of two days—two working days—away last week, but as soon as it became obvious that I was needed here, I returned.

T3. [42444] **Andrea Leadsom** (South Northamptonshire) (Con): Can my right hon. Friend please tell me what steps he is taking to restore the public's faith in politics, and in their Members of Parliament?

The Deputy Prime Minister: Our whole constitutional reform programme is directed towards restoring the public's faith in politics, and in their MPs. That is why we have legislated to give people a choice in the electoral system for the House of Commons. We have also legislated to introduce more evenly sized constituencies so that people feel they are equally represented in the House of Commons. As was discussed earlier, we will introduce a recall mechanism so that when an MP is found to have committed serious wrongdoing, a by-election can be held. We will introduce a statutory register of lobbyists, and our plans for fixed-term Parliaments will mean that Prime Ministers can no longer manipulate the timing of general elections for their own party's advantage. Finally, our plans for a wholly or mainly elected second Chamber will mean that the people, not the Prime Minister, will have a role in determining how our legislatures work.

Ms Harriet Harman (Camberwell and Peckham) (Lab): I welcome the Deputy Prime Minister back to the Dispatch Box. At least today it has not slipped his mind that he is Deputy Prime Minister. May I follow up on the question asked by the hon. Member for South Northamptonshire (Andrea Leadsom)? The Deputy Prime Minister talked about how the Lib Dems represent trust in politics—a politics that keeps its promises. Will he remind the House what he promised at the general election about police numbers?

The Deputy Prime Minister: As the right hon. and learned Lady knows very well, this Government have the unenviable, difficult task of clearing up the unholy mess that she left. I know that she and her colleagues want to live in complete denial, but because of the mistakes and economic incompetence of the Labour Government, we are spending £120 million, every single day of every single week, simply to pay off the interest on her debts. That is why, as the outgoing Labour Chief Secretary to the Treasury said, "There's no money left." Unfortunately, when there is no money left, we must make savings across the public services.

Ms Harman: But that has not stopped the Government spending £100 million on elected police commissioners, and the Deputy Prime Minister has not answered the question; perhaps it has slipped his memory again. May I remind him? He promised 3,000 more police, and he has voted for 10,000 fewer police. Is the problem not just his forgetting that he is Deputy Prime Minister, but that he has forgotten every promise he ever made? Is he aware that his complete betrayal on tuition fees, VAT, the NHS and the police has led to a new word in the English language: if someone has been the victim of a total sell-out, we say that they have been "clegged"? Is he proud of that?

The Deputy Prime Minister: What an extraordinarily laboured question! The right hon. and learned Lady may have forgotten that her party promised an emergency Budget some time soon, and £14 billion of cuts starting in a few weeks. She complains about the difficult decisions that we are having to take, yet I have not heard her and her colleagues make a single suggestion about how to fill the enormous black hole in the public finances that they left to us to sort out.

T5. [42446] **Robert Halfon** (Harlow) (Con): Will my right hon. Friend agree to consider extending the terms of the Protection of Freedoms Bill to give stronger powers to the Information Commissioner to fine internet companies who misuse people's personal data? Does he not agree that we need an internet Bill of Rights to stop the advance of the privatised surveillance society?

The Deputy Prime Minister: This is a very important issue. As it happens, since April last year the Information Commissioner has had the power to impose a penalty of up to half a million pounds for serious breaches of the Data Protection Act, and that applies to internet companies who misuse personal data. The commissioner can also serve information notices and enforcement notices, apply for warrants, pursue prosecutions and accept undertakings. As my hon. Friend may know, the commissioner has issued a code of practice for collecting personal information online. Finally, he might be interested to know that the Department for Culture, Media and Sport and the Department for Business, Innovation and Skills are working on updating the relevant regulations and are considering extending the powers of the Information Commissioner and the sanctions available when privacy is breached.

T2. [42443] **Mr Tom Clarke** (Coatbridge, Chryston and Bellshill) (Lab): Will the Deputy Prime Minister give the House his definition of front-line policing? If he cannot, does he understand that the House will have great difficulty in believing that he can protect essential services?

The Deputy Prime Minister: Actually, I think that one of the problems in policing, as is widely recognised, has been that there are not enough police officers out on the front line, on the beat, in our communities. By some estimates, only 11% of police officers are out and about in our communities at any one time. Yes, we are having to deal with financial pressures because of the reasons that I explained earlier, but at the same time we must reform policing to minimise the amount of time that police officers allocate to work in the back office, and to ensure that they are free to be out on the streets, which is where we want them, for as much time as possible.

T7. [42448] **Nick de Bois** (Enfield North) (Con): In a sample of more than 80 immigration cases coming through my constituency, more than 15% of those involved were found to be on the electoral roll when they had no entitlement to be there. Does the Deputy Prime Minister not agree that urgent, immediate steps are needed to introduce positive voter identification?

The Deputy Prime Minister: I strongly agree that we must introduce measures to tackle electoral fraud. As my hon. Friend may know, we have announced that we will legislate to speed up the introduction of individual electoral registration to before the next general election, in 2014. Under that new scheme each person will have to register individually, whereas the current system is registration by household, and they will be asked to provide personal identifiers, including their national insurance number, to enable registration officers to verify the identity of a person before they are added to the register. That should tackle fraudulent or inaccurate register entries, which my hon. Friend rightly highlights.

T4. [42445] **Luciana Berger** (Liverpool, Wavertree) (Lab /Co-op): Before the election the Deputy Prime Minister said that providing more police was

"the only way to create safer streets."

Now the Minister for Policing and Criminal Justice says that there is no link between crime and police numbers. Which is it?

The Deputy Prime Minister: As I explained in answer to an earlier question, of course we want the police officers who are available to be out on the streets as much as possible. It is true that this is partly a question of resources—*[Interruption.]* Nothing is possible when there is no money. It was the outgoing Labour Chief Secretary to the Treasury who said, "There's no money left." Those were not our words; they were his words.

We cannot provide for our schools, hospitals and police forces unless we have money. Because of the mistakes made by the hon. Lady's party, we are pouring £120 million down the drain every single day simply to pay off the interest on her party's debts. That is the problem that we face. At the same time, we need to reform policing to ensure that police officers can spend as much time as possible out on the beat rather than behind their desks.

T8. [42449] **Mr Edward Timpson** (Crewe and Nantwich) (Con): In both Nantwich and Crewe, and in the surrounding rural areas, many people feel strongly that the current planning system is not on their side, particularly when it comes to wind turbines, mobile phone masts and overdevelopment. Can my right hon. Friend tell me what the Government are doing to improve the situation?

The Deputy Prime Minister: The basic principle is that we want people to feel that they have a stake in the planning system rather than feeling that things are being done to them. That is why, in the Localism Bill and in further measures that we wish to take, we are introducing new powers enabling local communities and neighbourhoods to determine for themselves what kind of decisions they want to be pursued in their areas, if necessary by triggering local referendums. For too long planning has been obscure, difficult to understand, very technocratic and highly over-centralised, and that is what we will be trying to change in the coming years.

T6. [42447] **John Mann** (Bassetlaw) (Lab): The first Deputy Prime Minister in British history to fail to turn up for work when the Prime Minister has gone abroad for a week! I think what I want to ask is, "What is the point of Nick Clegg?"

The Deputy Prime Minister: That was another much-rehearsed question. *[Interruption.]* I merely sigh at the laborious way in which these questions have been rehearsed and over-rehearsed.

The Prime Minister was away on an official trip. The fact that the Prime Minister is away on an official trip does not mean that he is not the Prime Minister any more. When the chief executive of a company goes on a business trip, he is still the chief executive. When the manager of a football club attends an away game, he is still the manager. As I sought to explain earlier, last week I was away for just under two working days, and I returned as soon as it became clear that I was needed back here.

T9. [42450] **Stuart Andrew** (Pudsey) (Con): The pilot for the public reading stage of the Protection of Freedoms Bill is an innovative way of opening up the legislative process to the public. In that context, can my right hon. Friend update the House on progress on the delivery of a mechanism allowing formal parliamentary debate of petitions bearing at least 100,000 signatures?

The Deputy Prime Minister: My right hon. Friend the Leader of the House is working on a proposal to deliver precisely what my hon. Friend has described: the ability of people who petition the House to ensure that their demands are heard on the Floor of the House of Commons. That is one of a number of innovations that will open up the way in which we scrutinise legislation and allow the public, as well as ourselves, to have a say in how we do it.

Meg Munn (Sheffield, Heeley) (Lab/Co-op): How will the boundary reviews take the 2011 census into account, given that the preliminary results will not be available until the middle of next year?

The Deputy Prime Minister: As the hon. Lady may know, we are basing the boundary reviews on the electoral register rather than the census. That has been standard practice for a long time, and we do not intend to change it.

Mr Mark Spencer (Sherwood) (Con): What action can the Deputy Prime Minister take to ensure that local authorities make every effort to ensure that young people find their way on to the electoral roll?

The Deputy Prime Minister: It is a vital issue of concern for all Members on both sides of the House that those who are not registered should be registered. One step that we will soon be piloting is to allow electoral registration officers to compare their databases with other publicly available databases, so that they can literally go from door to door and say, "You're on this database, but you're not on that one," and thereby encourage people to register. Drawing international comparisons, our registration rates of just over 90% are pretty respectable, but of course we want to continue to do whatever we can to raise that standard even further.

Jack Dromey (Birmingham, Erdington) (Lab): Birmingham city council will today vote through the biggest local government cuts in history, with cuts of £212 million for next year. Two weeks ago the council's deputy leader, Liberal Democrat Councillor Paul Tilsley, wrote to *The Times* protesting against the cuts, but 24 hours later he signed the budget. As the Deputy Prime Minister believes in restoring faith in politics, how would he describe the actions of Councillor Tilsley, or is he too on a slippery slope?

The Deputy Prime Minister: All local authorities of whatever political persuasion are clearly facing a very tough local government finance settlement, and we have never hidden the fact that it is extremely difficult. I think there is a great deal of discretion in how local councils can respond to those same pressures, however. For example, I am very struck by the fact that in Sheffield, the city where I am an MP, the Liberal Democrat council has kept every library and swimming pool open and has not made any major cuts to adult social services, and only 270 people will be laid off next year, whereas across the Pennines in Labour-controlled Manchester, 2,500 people have been laid off and almost everything has been closed across the whole city. In Birmingham, as in all great cities, difficult decisions are being made, and I trust that they are being made in a way that safeguards the services for the most vulnerable in that city.

Jo Swinson (East Dunbartonshire) (LD): I too welcome the excellent innovation of a public reading stage for the Protection of Freedoms Bill, to involve the public in the law-making process. Can the Deputy Prime Minister confirm that the Government intend ultimately to extend that process of public engagement to all Bills? Will they also consider improving it even further—for example, by putting a Bill's explanatory notes on the consultation website and considering the public's suggestions at Committee stage?

The Deputy Prime Minister: As my hon. Friend may know, using the Protection of Freedoms Bill as the first pilot for providing the public with a public reading stage is precisely that: a pilot. We must learn the lessons from that, and see whether a public reading stage sufficiently engages people and makes the whole legislative process accessible to the public. If it does prove to be successful, and if we can make all the technical adjustments that might be needed work, then yes of course, in principle we would like to see this extended to all other pieces of legislation and draft Bills.

Several hon. Members *rose—*

Mr Speaker: Order. I am sorry but demand has exceeded supply as usual, and we must now move on.

ATTORNEY-GENERAL

The Attorney-General was asked—

Mr Speaker: I call Tom Harris to ask Question 1. He is not here, so I call Hugh Bayley.

Serious Fraud Office

2. **Hugh Bayley** (York Central) (Lab): What the policy of the Serious Fraud Office is on seeking costs from those convicted as a result of a prosecution brought by the office. [42452]

The Attorney-General (Mr Dominic Grieve): The SFO considers costs in all criminal proceedings where a conviction is secured.

Hugh Bayley: I am extremely pleased about the change of policy in the case of the British Aerospace contract in Tanzania, for which costs were sought and paid. Will the Attorney-General make sure that costs are always sought where there is a conviction? At a time of very tight public expenditure, it is important for the SFO to get income from wherever it can in order to investigate and prosecute such cases.

The Attorney-General: I entirely agree that costs should normally be sought. Of course there may be instances where that is simply not appropriate, such as where the defendant is destitute or penniless and it is clear that a cost order will serve no purpose—and, indeed, a court is unlikely to make one. Subject to that, however, it is the normal policy that where a conviction is secured, costs are sought.

Human Trafficking

3. **Valerie Vaz** (Walsall South) (Lab): What plans the Crown Prosecution Service has to improve the effectiveness of prosecution policy in human trafficking cases. [42453]

The Solicitor-General (Mr Edward Garnier): The CPS keeps the effectiveness of prosecution policy and guidance to prosecutors on human trafficking under review, and updates them on a regular basis. The CPS will soon publish a new public policy statement on human trafficking to explain the prosecutor's role in such cases and the approach taken by the CPS.

Valerie Vaz: I thank the Solicitor-General for his answer. In June 2010 there were 139 convictions for human trafficking. Will he write to me with an updated figure for such convictions?

The Solicitor-General: Yes.

Mr Peter Bone (Wellingborough) (Con): Will the Attorney-General meet the officers of the all-party group on human trafficking, because one thing we have learned is that there is a considerable problem in prosecuting human trafficking cases and prosecutors often decide to pursue a lesser offence as it is easier to get a conviction?

The Solicitor-General: On the first point, both my right hon. and learned Friend and I would be delighted to meet my hon. Friend and the group at some mutually convenient time, and I look forward to doing so. On the second point, all successful prosecutions depend on bringing the available evidence to court. It is not only our policy, but that of the Crown Prosecution Service and the police, that every assistance should be given to vulnerable witnesses, particularly those in cases of the sort that my hon. Friend describes, so that we can achieve prosecutions. We take this matter extremely seriously—indeed, I was in the Court of Appeal just before Christmas applying successfully to have an unduly lenient sentence increased.

Fiona Mactaggart (Slough) (Lab): But the Solicitor-General will be aware that often in human trafficking cases the victim is reluctant to give evidence or does not assist the progress of the case. Can he assure the House that in such cases, where the victim is more frightened of the police than she is of her abusers, the CPS is committed to carrying forward prosecutions wherever possible?

The Solicitor-General: Yes, I can. The hon. Lady is perfectly right to say that many victims of human trafficking come from countries and jurisdictions where the police are seen as oppressors, rather than as assistants to the criminal justice system and to victims. However, the CPS and this country's police forces are acutely aware of that and are sensitive to the needs of those traumatised victims. I can assure her that everything will be done to assist the prosecution of traffickers, with or without the evidence of the victim.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): The Solicitor-General will be aware of the recent legal challenge to the Government threatened by the POPPY project, the organisation that supports victims of trafficking. It is based on the Ministry of Justice's failure to consult and to publish an equality impact assessment on the proposed funding cuts, which the POPPY project claims breaches the Council of Europe convention against human trafficking. Given the High Court's recent damning verdict on the way in which the Department for Education cancelled the Building Schools for the Future programme and given the Fawcett Society's challenge relating to the disproportionate impact on women of the emergency Budget, will the Solicitor-General assure the House that Departments are aware of their duties to consult properly and consider rigorously equality impacts before decisions are made? Will he place a guidance note on the matter in the Library so that Parliament can better understand the obligations, thereby avoiding such abuses of power?

The Solicitor-General: The hon. Lady's first paragraph or so would be better directed at the relevant Departments—the Ministry of Justice and the Department for Education—but the points that she makes will doubtless have been noted. On the later points, I will certainly consider what she has to say and see whether it is appropriate to put such a note in the Library.

Mr Speaker: I call Chris Williamson. He is not here.

Ministerial Speech

5. **Tony Baldry** (Banbury) (Con): If he will place in the Library a copy of the speech he made to Politeia on 14 February 2011. [42456]

The Attorney-General (Mr Dominic Grieve): I did not make a formal speech during the Politeia event, so any comments I made were in response to points raised during a seminar. I therefore regret that I do not have any written record that can be placed in the Library.

Tony Baldry: The Attorney-General is reported as having said the following at the Politeia seminar:

> "The court"—

the European Court of Human Rights—

> "doesn't have the last word. It only has the last word so far as parliament has decided that it should. We could, if we wanted to, undo that—I think we should always bear that in mind—and actually undo it without some of the consequences we have over the European Union."

Did he say that? If so, what does it mean?

The Attorney-General: The question arose in the context of parliamentary sovereignty. What I said to the seminar was what I also said to this House on the previous Thursday, which was that the operation of the European convention on human rights and the jurisdiction of the Court are based on the UK having signed up to the convention in the late 1940s and having ratified it through Parliament, with Parliament thereby accepting the jurisdiction of the Court. It is legally open to Parliament to enact primary legislation or otherwise to withdraw from the convention if it wished to do so and if the Government wished that through Parliament. That was the point that I was making; I was simply trying to explain the legal framework under which parliamentary sovereignty works in this context. I would add that any withdrawal would not come without costs or consequences, and it is not Government policy to withdraw.

CPS/Police Co-ordination

6. **Andrew Selous** (South West Bedfordshire) (Con): What steps he is taking to ensure better co-ordination between the Crown Prosecution Service and police forces. [42457]

The Solicitor-General (Mr Edward Garnier): The Crown Prosecution Service and the police have a close working relationship. They are working together on returning the charging of some offences to the police, eradicating duplicated work and improving communications, making greater use of information technology through the service and delivery of electronic case files and providing a better service to victims and witnesses.

Andrew Selous: In 2010, more than a fifth of abandoned prosecutions were because of the CPS's failure to review cases before they came to trial, which was extremely upsetting for the victims concerned. What steps can my hon. and learned Friend take to make sure that the police and the CPS work together more collaboratively and share information so that this does not happen so much in future?

The Solicitor-General: I commend my hon. Friend on his close interest, both within his county and nationally, in matters of this sort. Police charging of some offences will clearly help to cut time-wasting, as will doing away with the unnecessary duplication of case file preparation and the better use of IT. The police and the CPS need to co-operate and work together from a very early stage so that the gathering and assessment of evidence can be effectively and efficiently directed towards achieving justice.

Ian Paisley (North Antrim) (DUP): Will the Minister advise the House what contact his Department has had with the Attorney-General for Northern Ireland, the public prosecutor, the Police Service for Northern Ireland and our Justice Minister to ensure that cases in our courts are processed expeditiously and that there is not a two-gear system in which cases in Northern Ireland progress considerably more slowly than in the rest of the United Kingdom?

The Solicitor-General: My right hon. and learned Friend and I meet and speak to the Attorney-General for Northern Ireland from time to time, but the hon. Gentleman will understand that the justice system in Northern Ireland is devolved to Northern Ireland and that it would not be right for us to interfere in its day-to-day work.

Stephen Phillips (Sleaford and North Hykeham) (Con): My hon. and learned Friend will be aware that one problem faced by the CPS is that there often is not sufficient time for those who have the charge of cases to review them, partly because they have to spend so much time on administration. What steps is he taking to ensure that changes?

The Solicitor-General: I am not sure that the picture my hon. and learned Friend paints is of general application, although I am sure it is true in some cases. Certainly, the Attorney-General's office and the senior management of the CPS, from the Director of Public Prosecutions downwards, are determined to ensure that we have a system of prosecution that is not only just but efficient and effective.

Mr Philip Hollobone (Kettering) (Con): How can the CPS and the police work together better to persuade courts not to give bail to persistent and prolific offenders? Nothing annoys the police more than regular offenders appearing before a court only to be released to commit offences while on bail.

The Solicitor-General: I understand the point of frustration that my hon. Friend raises. The Law Officers are not here to direct judges on what to do in any given case, but the CPS and the police need to co-operate to make sure that relevant evidence is put before the court so that it can make a decision based on its application of the facts to the law and the sort of cases to which my hon. Friend refers happen on fewer occasions.

Witness Care

9. **Mr Tom Clarke** (Coatbridge, Chryston and Bellshill) (Lab): What steps he plans to take to ensure that the outcome of the comprehensive spending review will not have an adverse effect on the provision of services by witness care units. [42460]

The Attorney-General (Mr Dominic Grieve): The Crown Prosecution Service is committed to ensuring that the provision of services by witness care units is protected. Future funding for witness care units will still be made from the CPS baseline budget along with the commitment that also comes from the Ministry of Justice. Consequently, the outcome of the comprehensive spending review will not have an adverse effect on the provision of those services.

Mr Clarke: I thank the Attorney-General for his reply. Has he made representations to the Home Secretary to ensure that the police input into funding, which is extremely important, continues in respect of witness care units?

The Attorney-General: It is my experience, from the importance that the Home Secretary attaches to ensuring that witnesses and victims are properly cared for, that she gives this matter considerable priority. I have not been made aware of anything that suggests that my Department's work will be adversely affected in this area by anything being done by the police, but I will certainly raise the matter with my right hon. Friend. If she or I can provide the right hon. Gentleman with some reassurance, I am sure we will be happy to do so.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for South West Devon, representing the Speaker's Committee on the Electoral Commission, was asked—

Voter Registration (Students)

1. **Nicky Morgan** (Loughborough) (Con): What steps the Electoral Commission is taking to improve levels of voter registration among students. [42461]

Mr Gary Streeter (South West Devon): The commission runs campaigns before every election to encourage electors to register to vote. These typically include activities targeted at students. The commission is running a public awareness campaign ahead of the May 2011 elections and referendum, which will include working with student unions and other student groups across the UK to promote awareness of the election and referendum and the voter registration deadline.

Nicky Morgan: In the Loughborough constituency, 12,000 students are studying at university, yet only 50% or so are on the electoral register. Registration is patchy among those in halls and those living out. It is important that students register to vote because for many of them this will be the first election in which they can vote. Is my hon. Friend happy that the Electoral Commission is providing specific guidance on the fact that they can be registered at their home and also where they are studying?

Mr Streeter: My hon. Friend raises an important point. We are confident that all the information that students need is on the Electoral Commission website, but the role of local electoral registration officers, student unions and universities in getting that information across to students is critical.

Duncan Hames (Chippenham) (LD): The Electoral Commission has had discussions with the Deputy Prime Minister about the use of national data sources to aid registration levels. Does this extend to the use of the national insurance database, which contains rising 16-year-olds? Giving them early experience of electoral registration might improve subsequent levels of registration by students.

Mr Streeter: The hon. Gentleman makes an interesting point. I know that these matters are being discussed between the Deputy Prime Minister's Department and the Electoral Commission. Hopefully, these discussions will come to a fruitful conclusion before too long.

Electoral System

2. **Hugh Bayley** (York Central) (Lab): What steps the Electoral Commission plans to take to inform members of the public about the merits and demerits of the alternative vote system for elections to the House of Commons. [42462]

5. **John Glen** (Salisbury) (Con): What steps the Electoral Commission plans to take to provide information to voters on the forthcoming referendum on the alternative vote system for elections to the House of Commons. [42465]

Mr Streeter: The Electoral Commission plans to send an information booklet to each household in the United Kingdom. The booklet will include a factual description of the first-past-the-post and alternative vote systems. It will not comment on the merits of different electoral systems used for particular elections. That is a matter for the yes and no campaigns. The booklet will also include information on the devolved elections and how to register to vote, and will be supported by an advertising campaign.

Hugh Bayley: I have already seen some palpably false claims about the alternative vote system from the no campaign, which the yes campaign will obviously need to rebut, yet I note that it has been awarded only £380,000 to make its arguments, as of course has the no campaign, whereas a maximum of £600,000 was available. Is there any chance that the Electoral Commission will increase the funding equally to both sides?

Mr Streeter: Nobody has been awarded any money yet because nobody has been designated to run the yes and no campaigns. That will happen later in March. I am not aware of the specific figures that the hon. Gentleman mentions, but I will refer his comments to the Electoral Commission. If there is an opportunity to do more and do better, we will certainly take it.

John Glen: I thank my hon. Friend for his earlier reply. Will he go further and clarify what independent academic input has been used by the Electoral Commission as it prepares the briefings, who those people are and on what basis they were selected?

Mr Streeter: I am happy to be able to reassure my hon. Friend on that point. As part of the development of the text for the core section of the information booklet, the commission consulted academic experts on electoral systems. These were Professor Colin Rallings of the university of Plymouth and Professor David Sanders of the university of Essex. The consultation was intended to ensure that the explanations of the first-past-the-post and alternative vote systems were accurate. The commission also consulted the Plain Language Commission to ensure that the text was as accessible as possible, and undertook research co-ordinated by the Central Office of Information to ensure that the text was understood by voters. This involved in-depth interviews with members of the public in England, Scotland, Wales and Northern Ireland.

CHURCH COMMISSIONERS

The hon. Member for Banbury, representing the Church Commissioners, was asked—

Property Disputes

3. **Robert Halfon** (Harlow) (Con): What procedure exists for resolving disputes between the Church Commissioners and third parties over the ownership of property. [42463]

The Second Church Estates Commissioner (Tony Baldry): There is no set procedure for resolving disputes of property ownership. Each dispute is treated individually, having regard for the particular circumstances of the case.

Robert Halfon: In one of the villages in my constituency, just outside Harlow, a community group is in dispute with the local parish church over the ownership of a hall and its land. Does my hon. Friend agree that an arbitration service would surely be preferable to a costly court case in such matters, as the community group concerned does not have the resources to fight a lengthy legal battle?

Tony Baldry: In such instances, I suggest that mediation is always preferable. I understand that the Archdeacon of Harlow offered to act as a mediator but was turned down. I am a qualified and trained mediator, so if I was acceptable to Roydon parochial church council and the Dobbs Weir residents association, I would be willing, pro bono, to act as mediator.

Mr Speaker: We are grateful to the hon. Gentleman, as obviously is the House.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for South West Devon, representing the Speaker's Committee on the Electoral Commission, was asked—

Electoral System (Referendum)

4. **Fiona Bruce** (Congleton) (Con): What assessment the Electoral Commission has made of the adequacy of the time available for provision of information to the public on the forthcoming referendum on the alternative vote system for elections to the House of Commons. [42464]

Mr Gary Streeter (South West Devon): The Electoral Commission believes that there is sufficient time for it to provide factual information to the public on the alternative vote and first-past-the-post voting systems and for campaigners to put across their arguments effectively. The commission has been preparing for the referendum since the Parliamentary Voting System and Constituencies Bill was introduced in Parliament last summer.

Fiona Bruce: I am grateful to my hon. Friend for his reply. However, in response to an earlier question he indicated that the Electoral Commission will not even designate the yes and no campaigns until the end of March, or thereabouts, leaving only April and five days in May for the campaigns. Is that really long enough?

Mr Streeter: My hon. Friend makes an extremely important point. The designation of the yes and no campaigns will happen as soon as possible after 15 March—anyone can bid to become part of those campaigns before then—and in any event by 29 March. The Electoral Commission is confident that the campaign period is adequate for the purpose.

Mr Ben Bradshaw (Exeter) (Lab): Will the hon. Gentleman condemn the outlandish and wholly fictitious claims being made by the no campaign about the costs of introducing the alternative vote if there is a yes vote? These include claims about voting machines, which the Electoral Commission has confirmed would not be necessary, about the cost of the referendum itself, which will be the same whichever campaign wins, and about the cost of an education campaign, which the commission has made quite clear would not be necessary. Will he deprecate those false claims?

Mr Streeter: I am delighted to say that it is not the role of the Electoral Commission to act as a referee between the yes and no campaigns. It is up to those campaigns to make their political arguments and rebut those with which they do not agree.

CHURCH COMMISSIONERS

The hon. Member for Banbury, representing the Church Commissioners, was asked—

Former Roman Catholic Priests (Ordination)

6. **Bob Russell** (Colchester) (LD): How many former Roman Catholic priests have sought ordination in the Church of England since 2005; and if he will make a statement. [42466]

The Second Church Estates Commissioner (Tony Baldry): Figures held by the Archbishops Council show that in the past five years 14 former Roman Catholic priests have sought to be received into ordained ministry within the Church of England. As there is also discretion at diocesan level for acceptance into the ministry, not all candidates are centrally recorded, so the national figure is likely to be higher.

Bob Russell: National newspapers suggest that there is a one-way road leading from Canterbury to Rome. I have no brief for the established Church—I come from good non-conformist stock—but does the hon. Gentleman agree that more should be done to make it clear to those Roman Catholic priests who are unhappy that there is a welcome for them in the Church of England?

Tony Baldry: I say to my hon. Friend that there is a welcome for everyone in the Church of England. He makes a good point; national newspapers give the impression that there is a one-way street for disaffected Church of England priests going to the Roman Catholic Church, but that is certainly not the case. There are very good ecumenical relations between the Church of England and the Roman Catholic Church, as was demonstrated by Pope Benedict's recent visit to the UK. There is certainly two-way traffic, and long may that continue.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for South West Devon, representing the Speaker's Committee on the Electoral Commission, was asked—

Electoral Fraud

7. **Mr John Spellar** (Warley) (Lab): What recent representations the Electoral Commission has received on its report on fraud in the 2010 elections. [42467]

Mr Gary Streeter (South West Devon): The Electoral Commission published its report on cases of alleged electoral malpractice in 2010 on 16 February 2011 and has received no representations on it.

Mr Spellar: I will make one representation. The commission's report stated that it was not aware at the time of any case reported to the police that affected the outcome of the election to which it related. In fact, there has been one case of alleged electoral malpractice resulting in prosecution and conviction, and court proceedings have been initiated in another case. Does that not make absolutely absurd the claim made in September by the Conservative party chair, Baroness Warsi, that the Conservatives failed to win an overall majority in the general election because of electoral fraud, predominantly within the Asian community, that benefited Labour? Does the Baroness not owe the Electoral Commission an apology for the slur on its oversight of electoral proceedings? Frankly, does she not owe an apology to the Labour party and the Asian community as well?

Mr Streeter: The Electoral Commission is not responsible for the comments of any politician in this country, I am delighted to say. The report on electoral fraud showed that there were 232 cases of alleged electoral malpractice in 2010, 137 of which required no further action. Sixty-eight cases remain under investigation; in 23 cases police advice was given; two cases resulted in a caution; and court proceedings were brought in two cases, resulting in one conviction.

Mr Stewart Jackson (Peterborough) (Con): The House will know that, regrettably, six individuals have been found guilty of election malpractice arising from personation and postal vote fraud in Peterborough in the past four years. What specific strategies are the Electoral Commission pursuing to concentrate on postal vote fraud?

Mr Streeter: The Electoral Commission has made recommendations to the Government about tightening up voter identification, and the Government are considering that report. Naturally, the Electoral Commission takes all allegations of fraud seriously, but it is a matter for the police to investigate each and every incident.

CHURCH COMMISSIONERS

The hon. Member for Banbury, representing the Church Commissioners, was asked—

Clergy Accommodation

8. **Mr Christopher Chope** (Christchurch) (Con): What the policy of the Church of England is on the retention of freehold accommodation for clergy. [42468]

The Second Church Estates Commissioner (Tony Baldry): There is no single Church of England policy on the retention of freehold accommodation for clergy.

Mr Chope: I am grateful to my hon. Friend for that answer, but does he not think that there should be such a policy in the light of what is happening in Christchurch at the moment? The vicarage adjoining the priory lies empty, but the diocese pays more than £2,000 a month to rent alternative accommodation, several miles from the priory, for the new priest in charge, who is quite willing to occupy the priory should the diocese be willing to allow that to happen. Will my hon. Friend convene a meeting, using his powers of mediation, to try to drum some common sense and economic sense into the diocese on that issue?

Tony Baldry: The Christchurch parsonage is a very large building, being twice the recommended size, and it is very expensive for the diocese to maintain and for the occupier to run. The diocese is looking to replace it with a more suitable property, and the newly appointed priest in charge has therefore simply been housed temporarily in a rented property. In this instance, I do not need to act as a mediator, because there is a perfectly good remedy. If the parochial church council is unhappy with what the diocese is doing, it can make representations that the Church Commissioners will have to consider.

ELECTORAL COMMISSION COMMITTEE

The hon. Member for South West Devon, representing the Speaker's Committee on the Electoral Commission, was asked—

Voter Participation (Overseas Residents)

9. **Greg Hands** (Chelsea and Fulham) (Con): What recent discussions the Electoral Commission has had with Ministers on increasing the level of (a) registration and (b) turnout of electors resident outside the UK. [42469]

Mr Gary Streeter (South West Devon): The Electoral Commission meets Ministers regularly to discuss the delivery of elections and referendums, including how to ensure that all electors, whether overseas or in the UK, can cast their votes easily and securely.

Greg Hands: My hon. Friend will be aware of the shockingly low participation by overseas electors in UK elections. Of the potential 5.5 million British subjects living abroad, only about 15,000 are registered. What work has the Electoral Commission done on the implications of fixed-term Parliaments for sending out postal ballot papers significantly earlier in the electoral cycle, thereby improving the participation rate of overseas electors?

Mr Streeter: My hon. Friend is a consistent advocate of overseas voters. The Electoral Commission has done work on the issue and submitted representations to the Deputy Prime Minister as part of a comprehensive modernisation strategy for our electoral system. We wait to see what the Government will do with that report.

Fiona O'Donnell (East Lothian) (Lab): As I am out knocking on doors just now in East Lothian, encouraging people who are not on the register to register, or those who are on the register to register for a postal vote, I am not always confident that the forms will be returned. Does the hon. Gentleman agree that a freepost return facility on all the forms would increase participation and registration?

Mr Streeter: I am grateful to the hon. Lady for her recommendation, which I shall certainly pass on to the Electoral Commission. I thought that that already happened. Obviously it does not, so I shall make representations, and we will write to her with our response.

Voter Registration

10. **Sajid Javid** (Bromsgrove) (Con): What discussions the Electoral Commission has had with electoral registration officers on their performance in respect of voter registration. [42470]

Mr Streeter: Since 2008, the Electoral Commission has monitored the performance of electoral registration officers in Great Britain against a set of standards, and it publishes an annual assessment of those standards which covers the key planning and management processes put in place by EROs. The Electoral Commission advises and works closely with EROs who do not meet these standards in order to improve their performance.

Sajid Javid: I thank my hon. Friend for his answer and welcome the steps that he has outlined. Should those steps not bear fruit, has the Electoral Commission considered any other, more directly interventionist actions that it could possibly take?

Mr Streeter: Once again, my hon. Friend makes a very important point. The Electoral Commission does work with EROs who underperform, but they remain at all times employees of the local authority, and the commission has no statutory power to intervene. It is of course a matter for this House whether we wish to consider further powers to enable the Electoral Commission to do an even better job.

Aid Reviews

3.30 pm

The Secretary of State for International Development (Mr Andrew Mitchell): With permission, Mr Speaker, I should like to make a statement about the Government's bilateral and multilateral aid reviews, which are published today.

The coalition Government's decision to increase the UK's aid budget to 0.7% of national income from 2013 reflects the values we hold as a nation. It is also firmly in Britain's national interest, but this decision imposes on us a double duty to spend this money well. On my first day in office, I took immediate steps to make our aid as focused and effective as possible. I commissioned reviews of the Department for International Development's bilateral programmes in developing countries and of the UK's aid funding to international organisations. These reviews have been thorough, rigorous, evidence-based and scrutinised by independent development experts. They will fundamentally change the way in which aid is allocated.

Recent events in north Africa and the wider middle east have demonstrated why it is critical that the UK increases its focus on helping countries to build open and responsive political systems, tackle the root causes of fragility, and empower citizens to hold their Governments to account. It is the best investment we can make to avoid violence and protect the poorest and most vulnerable. In the middle east and north Africa, we are monitoring events closely and will respond as appropriate.

The bilateral aid review considered where and how we should spend UK aid. Each DFID country team was asked to develop a "results offer" setting out what they could achieve for poor people over the next four years. Each offer was underpinned by evidence, analysis of value for money, and a focus on girls and women. The results offers were scrutinised by more than 100 internal technical reviewers and a panel of independent experts. Ministers then considered the whole picture, deciding which results should be prioritised in each country. Consultation with civil society and other Government Departments was undertaken throughout.

As a result of the bilateral aid review, we will dramatically increase our focus on tackling ill health and killer diseases in poor countries, with a particular emphasis on immunisation, malaria, maternal and newborn health, extending choice to girls and women over when and whether they have children; and polio eradication. We will do more to tackle malnutrition, which stunts children's development and destroys their life chances, and do more to get children, particularly girls, into school. We will put wealth creation at the heart of our efforts, with far more emphasis on giving poor people property rights and encouraging investment and trade in the poorest countries. We will deal with the root causes of conflict and help to build more stable societies, as people who live amidst violence have no chance of lifting themselves out of poverty. And we will help the poorest, who will be hit first and hardest by floods, drought and extreme weather—the effects of climate change.

As a result of this review, we have decided to focus British aid more tightly on the countries where Britain is well placed to have a significant long-term impact on poverty. By 2016, DFID will have closed significant bilateral programmes in 16 countries. This will be a phased process, honouring our existing commitments and exiting responsibly. These countries are China, Russia, Vietnam, Cambodia, Moldova, Bosnia, Cameroon, Lesotho, Niger, Kosovo, Angola, Burundi, Gambia, Indonesia, Iraq and Serbia. This will allow us to focus our bilateral resources in the following 27 countries: Afghanistan, Bangladesh, Burma, Democratic Republic of the Congo, Ethiopia, Ghana, India, Kenya, Kyrgyzstan, Liberia, Malawi, Mozambique, Nepal, Nigeria, the occupied Palestinian territories, Pakistan, Rwanda, Sierra Leone, Somalia, South Africa, Sudan, Tajikistan, Tanzania, Uganda, Yemen, Zambia and Zimbabwe. Together, those countries account for three quarters of global maternal mortality, nearly three quarters of global malaria deaths and almost two thirds of children out of school. Many of them are affected by fragility and conflict, so we will meet the commitment made through the strategic defence and security review to spend 30% of British aid on supporting fragile and conflict-affected states, and to help some of the poorest countries in the world to address the root causes of their problems.

We will have three regional programmes in Africa, Asia and the Caribbean, and an ongoing aid relationship with three aid-dependent overseas territories, namely St Helena, the Pitcairn Islands and Montserrat.

The multilateral aid review took a hard look at the value for money offered by 43 international funds and organisations through which the UK spends aid. It considered how effective each organisation was at tackling poverty. It provides a detailed evidence base on which Ministers can take decisions about where to increase funding, where to press for reforms and improvements, and in some cases where to withdraw taxpayer funding altogether. The 43 multilateral agencies fall into four broad categories.

First, I am delighted to tell the House that nine organisations have been assessed as providing very good value for the British taxpayer. They include UNICEF, the Global Alliance for Vaccines and Immunisation, or GAVI, the Private Infrastructure Development Group, and the Global Fund to Fight AIDS, Tuberculosis and Malaria. We will increase funding to those organisations, because they have a proven track record of delivering excellent results for poor people. Of course there is always room for improvement and we will still require strong commitments to continued reform and even better performance.

Funding for the next group of agencies—those rated as good or adequate value for money, such as the United Nations Development Programme and the World Health Organisation—will be accompanied by specific pressure from the UK for a series of reforms and improvements that we expect to see in the coming years.

We are placing four organisations in special measures and demanding that they improve their performance as a matter of urgency. Those organisations are UNESCO, the Food and Agriculture Organisation, the development programmes of the Commonwealth Secretariat, and the International Organisation for Migration. Those organisations offer poor value for money for UK aid, but they have a potentially critical niche development or humanitarian role that is not well covered elsewhere in the international system, or they contribute to broader UK Government objectives. We expect to see serious reforms and improvements in performance. We will take stock within two years and DFID's core funding may be reconsidered if improvements are not made.

Finally, the review found that four agencies performed poorly or failed to demonstrate relevance to Britain's development objectives. The review therefore concluded that it is no longer acceptable for taxpayers' money from my Department to continue to fund them centrally. I can therefore tell the House today that the British Government will withdraw their membership of the United Nations Industrial Development Organisation, and that DFID will stop voluntary core funding to UN-Habitat, the International Labour Organisation and the UN International Strategy for Disaster Reduction. That will allow more than £50 million of taxpayers' money to be redirected immediately to better performing agencies. We are working closely with other countries to build a coalition for ambitious reform and improvement of all multilateral agencies.

As a result of the reviews, over the next four years British aid will secure schooling for 11 million children, which is more than we educate throughout the UK, but at 2.5% of the cost; vaccinate more children against preventable diseases than there are people in England; provide access to safe drinking water and improved sanitation to more people than there are in Scotland, Wales and Northern Ireland combined; save the lives of 50,000 women in pregnancy and childbirth; stop 250,000 newborn babies dying needlessly; support 13 countries to hold freer and fairer elections; and help 10 million women to access modern family planning.

I believe that those results, which will transform the lives of millions of people across the world, will make everyone in the House and this country proud. They reflect our values as a nation—generosity, compassion and humanity. However, those results are not only delivered from the British people; they are for the British people. They contribute to building a safer, more stable and more prosperous world, which in turn helps to keep our country safe from instability, infectious disease and organised crime.

Aid can perform miracles, but it must be well spent and properly targeted. The UK's development programme has now been reshaped and refocused so that it can meet that challenge. I commend this statement to the House.

Ms Harriet Harman (Camberwell and Peckham) (Lab): I thank the Secretary of State for his statement and for giving me advance copies of it.

I welcome the Secretary of State's declaration that our aid programme is both morally right and in our national interest. As he argues against those who decry aid, he will have our strong support. This is not just about charity; it is about justice, tackling global inequality and fulfilling our responsibilities to the world. We put development at the heart of our agenda because we believe we must struggle for a fairer and more equal world.

As things change in the world, as we are seeing in north Africa and the middle east, it is right to review our aid programme, but what should not and must not change is the commitment to spend 0.7% of our national income on aid by 2013. There must be no slipping back on that. Will the Secretary of State tell the House when he will bring forward the Bill to put that promise into law?

Will the Secretary of State campaign vigorously to show that our aid matters and saves lives? The girls and boys sitting in classrooms in Nepal, the Nigerian women who no longer have to walk miles to fetch water and the millions of children who no longer die from preventable disease are proof of that. Is not that the way to build support for aid, rather than by announcing as "new" decisions that we had already made? Will the Secretary of State admit that there is nothing new about ending significant bilateral aid to Russia? We ended it in 2007. Grand gestures of shutting down already closed programmes create a misleading picture of aid and undermine rather than support it. He should know better. As tackling poverty depends greatly on trade as well as aid, will he implement the Bribery Act 2010 now?

Will the Secretary of State acknowledge that after 13 years in which the Labour Government tripled the aid budget, reversing the cuts of the previous Tory Government, this country led the world in tackling global poverty? Is he not concerned that that leadership, which is so important during a global economic downturn, is undermined by his decision to freeze the percentage of aid as a share of national income for the next two years? Can he tell the House how many lives will be lost and how many fewer children will go to school because of the lost £2.2 billion in aid?

Will the Secretary of State assure the House that he will protect his Department from raids by other Government Departments? DFID's budget is for the world's poorest, and he must not let other Government Departments use his budget as a source of cash. Will he reclaim the £1.8 million that he gave to fund the Pope's visit? That was not tackling global poverty, nor was his Department's loan of £161 million to the Turks and Caicos Islands. He has to be strong and stop his ministerial colleagues using DFID as a hole in the wall.

In our 2009 White Paper, we recognised the need to help people who suffer the twin problems of grinding poverty and living in an area ravaged by violence. It is right that we co-ordinate our development, diplomatic and security efforts, but our aid programme must not become subsumed in our military and security objectives. Of course, in places such as Yemen it is right that our aid efforts complement our foreign and security policy objectives where they can. We are absolutely committed to upholding our security and countering terrorism, but that must be the responsibility of the Ministry of Defence and the Foreign and Commonwealth Office. Will the Secretary of State confirm that poverty reduction will remain the focus of DFID money?

I welcome the Government's continuation of Labour's commitment to the international co-ordination of aid through multilateral organisations, and in particular the Secretary of State's reaffirmation of the EU's work, but will he reconsider his decision on the ILO?

The Secretary of State's men-only ministerial team talk a lot about how they will empower women in the developing world. Why, then, has he still not decided how much he will contribute to the new UN women's agency? Why should the women of the world have to wait for the men in his Government to put their money where their mouth is?

On bilateral aid, we welcome the focus on setting aid objectives for each country, but did the recipient countries play a part in that? Will the Secretary of State continue the spirit of the 2005 Paris declaration, which put the developing country in the driving seat and did so much to end the problematic post-colonial relationship between

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donor and recipient countries? Will he confirm that the decisions to cut aid to very poor countries such as Niger and Lesotho involved co-ordination with other donor countries, to ensure that our decisions do not leave them high and dry? Will he also explain his decision to end aid to Burundi, where there is deep poverty, and which is in the great lakes region, where there is still instability?

I welcome the Secretary of State's continuation of the previous Labour Government's focus on results and value for money. We made progress towards the millennium development goals, such as cutting maternal mortality and increasing child survival. To say that that was wasting money is an insult to all those who worked on those programmes, and it is to deny the value of those lives that were saved. I hope we will hear no more of that.

With more than 1 billion people still living in poverty, the Secretary of State is right to recognise that there is a long way to go. As Secretary of State for International Development, he will have the Opposition's support. We will back him in his work if he keeps faith with British generosity and our duty to the world's poor.

Mr Mitchell: I think I will take that as qualified support for the Government's position.

The right hon. and learned Lady emphasises that it is morally right and in our national interests to stand by the very strong commitments that have been made by all parties in the House, which I welcome. We made it absolutely clear when we took office that in sorting out the dreadful economic inheritance we received from the Labour Government, we would not balance the books on the backs of the poorest people in the world, and we honour that promise today. On that point, let me make it clear to her that the legislation agreed before the election in support of the 0.7% pledge from 2013 will come before the House as soon as the parliamentary business managers can find a convenient time.

Let me make it clear that I have cut back the programmes in Russia and China that we inherited. The programme in Russia will be completed by the end of April, and the programme in China will be completed by the end of March, but the coalition Government have made the decision to rein back those programmes—we inherited a continuing programme.

I should make it clear to the right hon. and learned Lady that support came in equal proportions from a number of British Government Departments involved with the Pope's visit, but that included DFID because, as she will be aware, the Catholic Church and its organisations deliver health care and education in some of the most difficult parts of the world, and DFID has a very strong relationship with the Church on that basis. However, let me put her mind at rest: my Department's share of the cost of the visit did not come out of the 0.7% budget or the official development assistance budget.

The right hon. and learned Lady also asks whether other Departments are raiding the DFID budget. She should know, because we have made it absolutely clear, that we will stand by the OECD development assistance committee definition of what is and is not aid. We stand by that, and it governs what can and cannot be spent by the British taxpayer under the ODA budget.

The right hon. and learned Lady referred to the guarantee that has been so skilfully negotiated in the Turks and Caicos Islands by my right hon. Friend the Minister of State. The islands are a dependent territory, and we stand by our dependent territories—she will be aware that that is one of the first commitments in the International Development Act 2002. However, thanks to my right hon. Friend's skill, we have negotiated a guarantee while they sort themselves out, rather than funding from the British taxpayer.

The right hon. and learned Lady asked whether we would reconsider our decision about the ILO. I emphasise to the House that the decision came from a recommendation in the multilateral aid review, which I strongly encourage her to look at, and in which the professional analysis reads:

> "The ILO has a wide range of organisational weaknesses including weak cost control and results reporting"

and

> "limited transparency".

It continued:

> "We will consider, on a case by case basis, funding the ILO in country on specific projects—provided it represents good value for money and is consistent with UK poverty reduction goals".

That is a fair analysis. However, I invite hon. Members who do not agree with it to have a look at the multilateral aid review and reach their own conclusions. I want to emphasise that the four elements of a decent work agenda—employment, social protection, labour standards and social dialogue—form a core part of my Department's work in this area, and will continue to do so.

Mr Denis MacShane (Rotherham) (Lab): What about trade unions?

Mr Mitchell: The right hon. Gentleman mentions trade unions from a sedentary position. Let me make it clear that the trade unions, for the work they do, will be able to apply to the global poverty action fund, and I look forward to their doing so.

The right hon. and learned Lady made three other points. The first related to support for the new United Nations women's agency. The Government strongly support the agency and argued for it to be set up. One of my noble Friends was there last week, and I saw Michelle Bachelet, the brilliant new head of UN Women, on—I think—her first day in office. We have offered her staff in order to assist in her tasks, and when she comes forward with a strategic plan in July, I have no doubt that we will be able to fund it. We will urge other countries to share the burden appropriately, but we will be very strong supporters of what she is doing.

The right hon. and learned Lady asked me about Niger and whether I would confirm that other donors were involved in the decision. We decided that it was not appropriate to keep a bilateral programme in Niger. Other donors were certainly involved in the decision. Much of the work that is being done in Niger, which she will know is an enormously food-insecure part of the world, is done on a multilateral basis. Last year, I agreed specific support on a humanitarian basis to feed 810,000 people, including 35,500 children suffering from acute malnutrition. Some 81,000 families received seeds, and we sent specific support for 15,000 livestock, which of course is very important to people continuing their lives. We are very much engaged in Niger on a humanitarian basis, but we look to other countries to share the burden, and we strongly support the multilateral architecture in addressing the situation in Niger.

The right hon. and learned Lady also asked about Burundi. We have completed our work on revenue capacity-building. We had a very small programme there, but we judged that it was right to close it. These are tough and difficult decisions, but we thought that we could spend the money better elsewhere. However, TradeMark East Africa, which we strongly support, will be based there as well. Wiring that into the regional infrastructure is extremely important, and work is ongoing on that.

Finally, a letter and a copy of the document "Changing lives, delivering results", which sets out the results of the review, are available to all Members on the Board. Furthermore, the full multilateral aid review can be read on the internet by anyone who wishes to do so.

Several hon. Members *rose*—

Mr Speaker: Order. A great many right hon. and hon. Members are seeking to catch my eye, but I remind the House that there is another statement to follow and thereafter an important Second Reading debate. If I am to accommodate the level of interest, brevity in questions and answers alike is of the essence.

Sir Peter Tapsell (Louth and Horncastle) (Con): May I warmly congratulate my right hon. Friend on a truly impressive statement, which was both highly practical and highly moral? May I also make a micro-economic point? It is one thing—and difficult enough—to establish projects in poor countries, but the most difficult thing of all is ensuring their subsequent daily, humble maintenance. When I walked around poor villages in Africa and Asia, I often came across a tap with clean water in it—one of the greatest assets that we can provide through aid—in the middle of the village. However, very often the tap was either dripping or gushing, and when one asked why, one was told that the rubber washer was always stolen within a few days of being installed. Nobody has ever told me what subsequent use the rubber washers are put to, but if the tap does not work or runs out of water, the whole scheme collapses.

Mr Mitchell: My hon. Friend said he was going to make a micro-economic point! He has great experience of such matters from his distinguished past, and he is absolutely right. Seeing assets that have been installed but are not in working order is an enormously depressing aspect of international development. Seeing empty schools in Africa that do not have children to go to them or teachers to serve them is similar to what he described. All our work is designed to achieve effective and transparent results that work not only for British taxpayers but for those we are trying to help.

Mr Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): I declare an interest as the chair of the all-party friends of CAFOD—the Catholic Fund for Overseas Development—group. Does the right hon. Gentleman acknowledge the contribution of aid agencies and non-governmental organisations to the current focus of his Department's work? Does he also agree with the overwhelming view that the greater the transparency, the greater the support will be from the British people for our objectives in this field? As two examples of how he can act quickly on such matters, may I urge him to accept the advice about implementing the Bribery Act 2010 as quickly as possible and to consider the role of British companies involved in mineral extraction in developing countries?

Mr Mitchell: I certainly pay tribute to CAFOD and the brilliant work of Chris Bain in leading it. I agree with the right hon. Gentleman about the importance of transparency, which is why one of the coalition Government's first acts was to publish our transparency guarantee. He is right about results and openness. We are all strongly behind the Bribery Act 2010. There are some standing instructions that need to be worked out by a number of Departments, but that will happen relatively quickly and the Act will be fully implemented.

Malcolm Bruce (Gordon) (LD): The review was right, and the tighter focus is welcome. The Select Committee on International Development will monitor not just the quantity and transparency of aid, but its effectiveness in tackling poverty and creating the space for development. However, will he explain one or two anomalies in his announcement? Burundi, which has already been mentioned, is a surprising omission, given that it is a poor country, but South Africa is included. What is the case for that, given that every other country on the list is a low-income country? Finally, will he confirm that targeting fewer countries will enable some of the staffing shortfalls that have been so apparent to be addressed, so that DFID staff are fully complemented where they are operating bilaterally?

Mr Mitchell: The Chairman of the Select Committee makes an important point. Programme staffing will be set to ensure that we can implement all the programmes. South Africa is a regional hub—an engine of economic development throughout the region—and much of our programme there is devoted to that. I have explained the position on Burundi, but, clearly, it too benefits from that engine of regional economic development. On his first point, the independent commission for aid impact, which is led by chief commissioner Graham Ward, one of Britain's most distinguished accountants, reports to his Committee, not me, injecting that independent evaluation of British aid that is so important in maintaining taxpayer confidence in what we are doing.

Several hon. Members *rose*—

Mr Speaker: Order. My exhortations to brevity have not been quite as faithfully heeded as I might have hoped, but I feel sure that we will return to the path of virtue with a question from Mr Chris Ruane.

Chris Ruane (Vale of Clwyd) (Lab): Today is St David's day, and Wales is twinned with Lesotho. Will the Secretary of State tell us why Lesotho has been victimised in these cuts, and whether he had any discussions with the Welsh Assembly Government about his decision?

Mr Mitchell: The Under-Secretary of State for International Development will be visiting Wales shortly. I reciprocate the comments of the hon. Member for Vale of Clwyd (Chris Ruane) about St David's day. In

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regard to Lesotho, we think that there are better ways of supporting that country than through a bilateral programme, for the reasons that I set out earlier. When my hon. Friend goes to Wales and meets Members of the Welsh Assembly, I am sure that this is one of the matters that can be discussed.

Tony Baldry (Banbury) (Con): Will my right hon. Friend make two things clear to the NGOs? The first is that they have a shared responsibility with us to make it clear that international development is a moral obligation as well as being in our national interest? The second is that, given that international development aid is now at 0.6% of GDP and will soon be at 0.7%, if people want more aid spent on a specific topic or area, it behoves them to explain which part of my right hon. Friend's programme they want money to be taken away from, because the Department has now reached the maximum amount of funds that it is going to have during the course of this Parliament.

Mr Mitchell: I will certainly pass on my hon. Friend's message to the NGOs. They also have a strong agenda of accountability and transparency, and we encourage them strongly in that. The workings of the Global Poverty Action Fund will greatly simplify the way in which NGOs access taxpayer support, and will also be very effective in driving forward that agenda.

Mr David Blunkett (Sheffield, Brightside and Hillsborough) (Lab): Will the Secretary of State join me in applauding the generosity of the British people, not least at the moment through their donations to Comic Relief? Will he also say something about his review's impact on the poorest of the very poor—namely, the children and men and women with severe disabilities in the developing world, who constantly get lost in these debates, not least because they were not included in the millennium development goals?

Mr Mitchell: The right hon. Gentleman is absolutely right on that point. Some four years ago, I went to Laos and Cambodia deliberately to look at the way in which disability impacted on development. We have not forgotten about this, and disability is clearly recognised in the work that we are taking forward.

Mrs Anne Main (St Albans) (Con): Will the Secretary of State give me an indication of how he intends to work with the Dalit community, some 65,000 of whom live in Dhaka, to ensure that they are not excluded in spite of the best efforts to deliver aid to poor people?

Mr Mitchell: My hon. Friend is absolutely right. The Dalit community represent the poorest of the poor in India, and we are looking specifically at ways of introducing a scholarship scheme to bring advantage to hundreds of thousands of Dalit girls in that country.

Hugh Bayley (York Central) (Lab): More than half the world's population now lives in urban areas, and less than half in the countryside. Just over a year ago the International Development Select Committee published a report on urbanisation which recommended a large increase in funding for UN-Habitat. I am astonished at the decision to pull the plug on UN-Habitat. Will the Secretary of State look at the report's recommendations and write a note to the Select Committee explaining how his Department is going to meet them?

Mr Mitchell: The hon. Gentleman makes a good point about urbanisation. Only in the very recent past has the majority of the world lived in towns and cities rather than in the countryside, and the report to which he refers is a very good one. If he looks at the multilateral aid review, he will see the comments that were made about UN-Habitat, and I think that he will find them helpful in understanding the Government's approach.

Mr Peter Lilley (Hitchin and Harpenden) (Con): May I congratulate my right hon. Friend on putting such a strong emphasis on the effectiveness of aid, given that its purpose is not to make us feel good but to do good? Does he agree with the all-party parliamentary group on Trade Out of Poverty that, although effective aid is important in alleviating poverty, countries can leave poverty behind in the long run only if they have opportunities to trade their way out of it? Will he place great emphasis on encouraging the rich unilaterally to remove tariffs, quotas and other barriers to poor countries trading with us?

Mr Mitchell: I am most grateful to my right hon. Friend for his remarks. He, of course, led our party's approach to the "globalisation of poverty" review of 2005—a most important document. I entirely endorse what he says about the importance of trade and trading out of poverty. The fact that there is such a strong coalition—if I may put it that way—between my right hon. Friend and Clare Short, who are driving forward this issue, emphasises how wide the support is for what he is doing. That underlines the importance of continuing to work flat out for a successful outcome to the Doha round.

Mark Durkan (Foyle) (SDLP): The Secretary of State has said that there will be a new focus on both bilateral and multilateral aid. Will that focus include giving priority consideration to marginal farmers, with women numbering heavily among them? Did he have them in mind in his reference to property rights? How will he ensure that the special measures attaching to the Food and Agriculture Organisation do not interfere with improved focus on the position of women marginal farmers?

Mr Mitchell: The hon. Gentleman will have heard the contrast between what I said about the Food and Agriculture Organisation, which has been placed in a form of special measures, and the World Food Programme, which is doing extremely well under the leadership of Josette Sheeran. We would probably have pulled out of the FAO but it is about to recruit a new director and we want to work with that new director to ensure that the FAO becomes a much more effective organisation. I completely endorse what the hon. Gentleman says about the importance of my Department's focus on farming and agriculture.

Mr Gary Streeter (South West Devon) (Con): I warmly welcome my right hon. Friend's statement, giving a renewed focus to British aid policy. He will know that improving good governance is one of the most effective ways of lifting people out of poverty. Will he confirm that, under his new order, there will still be a significant investment in capacity as he develops his targets for developing countries, as this will help them improve their democratic systems and their good governance?

Mr Mitchell: My hon. Friend is absolutely right in the emphasis he places on good governance. Helping people to hold their leaders and their politicians to account is an extremely important part of an open and free society, as events—not least, in the middle east—have made clear in recent weeks. This is an important focus of my Department's work.

Jeremy Corbyn (Islington North) (Lab): The Secretary of State will recognise that among the most exploited workers in the world are Dalits, garment makers and brick makers working in the very poorest countries. Their way out of poverty is organisation, better employment practices and decent wages. In that light, why is the right hon. Gentleman cutting money for the International Labour Organisation, which provides an important benchmark on the employment basis of those people and, of course, on the rights of migrant workers as well?

Mr Mitchell: The hon. Gentleman is entirely right to emphasise that there are four key elements of the decent work agenda, which I mentioned earlier: social dialogue, labour standards, social protection and employment. It is a common purpose across the House that those elements should be supported, and we will work in a variety of ways, including with the trade unions, to ensure that we uphold them.

Mr William Cash (Stone) (Con): The Secretary of State will know that the all-party groups on Kenya, Uganda and sanitation and water will be extremely glad to hear that they are still going to receive aid. I notice, however, that Commonwealth Secretariat and UNESCO are being placed into special measures as a matter of urgency. Is there a case for putting the EU in the same category?

Mr Mitchell: We have looked carefully at EU aid spending and while it is true that the spending through the Commission is not as good as it should be, it is nevertheless also true that the European development fund spends British taxpayers' money quite well. Let me also make it clear to my hon. Friend that although some 17% of the funding comes from Britain, 40% of it is spent on the Commonwealth countries for which I know he has a particular affection.

Richard Burden (Birmingham, Northfield) (Lab): The Secretary of State suggests terminating the aid programme in Vietnam. I suggest that he look again at the report of the Select Committee after its visit to the country in 2007. It recognised that although the aid relationship needed to change, the graduation of Vietnam to middle-income status was fragile, that many good ideas that could be used elsewhere in the world were being tested, and that the aid relationship, although changing, should continue. Will the right hon. Gentleman look at that again?

Mr Mitchell: We had specific discussions with Vietnam on our programme there, which does not wind down, I think, until 2016—it has the longest tail of any of the wind-down programmes. Vietnam is powering out of poverty, and ensuring that the role of the private sector is fully embraced is a big part of the work that my Department is undertaking. We have agreed the scale-down with the Government of Vietnam, and it works for us and them.

Richard Harrington (Watford) (Con): I too commend the Secretary of State and his colleagues on today's statement and the review behind it. On a visit to Kashmir last week, the outcomes of British aid that I saw in the capital, Muzaffarabad, impressed me. Given his mention of the European development fund, is he satisfied about the hundreds of millions of euros that go via the development fund to Turkey and Croatia, which are neither contaminated with a lot of poverty nor fragile states? If he is dissatisfied, will he take measures in future to ensure that the money is redirected to other countries.

Mr Mitchell: I hear what my hon. Friend says, but many people would agree that building up Turkey's capacity to trade with us through such assistance is a sensible use of European Union funds. I will have a good look at his point in respect of Croatia.

Eric Joyce (Falkirk) (Lab): Today's announcement of the continuation of bilateral aid to the Democratic Republic of the Congo is welcome, but will the Secretary of State continue to press the DRC Government on the importance of transparency in getting UK companies to engage and take risks in that country?

Mr Mitchell: The hon. Gentleman is absolutely right to stress the importance of that agenda in the DRC, which is a strong partner of ours. Over the next four years, we will be doing a great deal of work there, spending on average £198 million, with a strong focus on tackling malaria, ensuring that 6 million people get access to clean water, boosting the electoral system, and ensuring that girls get into school.

Roger Williams (Brecon and Radnorshire) (LD): Unfolding events in north Africa and the wider middle east could not have been anticipated when the review began. Will the Government's proposals allow enough flexibility to deal with these issues and with others that are bound to arise in future?

Mr Mitchell: The hon. Gentleman is absolutely right: we are watching extremely carefully what is happening. We are fully engaged on issues of humanitarian relief on Libya's borders with Egypt and Tunisia, and I will be going there in the next couple of days.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Will the right hon. Gentleman confirm that when he refers to the occupied Palestinian territories, he includes the prison camp of Gaza and the hells on earth that are the refugee camps in Lebanon? Is he aware that the $2.4 million that his Department has awarded for medical aid in the Lebanese refugee camps is enormously appreciated but will last for only a month, which is a symbol of the dire need in these places?

Mr Mitchell: The right hon. Gentleman is extremely experienced in the issues of the occupied Palestinian territories and of Gaza. Through the United Nations Relief and Works Agency, we take a careful interest in what is happening in Gaza and will continue to do so.

Jason McCartney (Colne Valley) (Con): Having visited the flood-hit areas of Pakistan and Kashmir before Christmas, may I ask my right hon. Friend whether he will confirm that the money saved on aid to China and Russia will go to such areas and to the other poorest areas in the world that need the aid most?

Mr Mitchell: My hon. Friend is absolutely right. As a result of the much more careful prioritisation of aid and aid programmes, we are able to re-channel British taxpayer's money into the kind of causes that he identifies.

Mr William Bain (Glasgow North East) (Lab): How does the Secretary of State justify ending bilateral aid to Cambodia, given that last year 31% of the population were estimated as living under the poverty line, and the country is in danger of missing seven of its eight millennium development goals?

Mr Mitchell: I hear what the hon. Gentleman says, but it is important to recognise whether a British bilateral programme that is small compared with several other bilateral and multilateral programmes was having a real impact. We concluded that such a programme was not the best way of spending taxpayer's money.

Nicholas Soames (Mid Sussex) (Con): I congratulate my right hon. Friend and his team on an important piece of work that is in the national interest, but may I press him a little further on the subject of the European Union? Would he consider discussing with the EU the possibility of a pan-European review conducted on the basis on which he conducted his valuable review of this country's aid, to establish whether that would help the EU to deliver its aid more effectively?

Mr Mitchell: We continue to discuss a range of matters with the EU and with Commissioner Andris Piebalgs, who is in charge of development. The multilateral aid review examined the work of the European development fund in much the same way as the bilateral review examined our country-to-country programme. There is ongoing work to be done, but I assure my hon. Friend that we are very much on the case.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): Last week I was in Ghana with the all-party parliamentary group on agriculture and food for development. Members of both Houses observed for themselves the critical importance of agriculture not just to the sustaining of livelihoods but to the potential for economic growth in developing countries. I noted the Secretary of State's concern about the Food and Agriculture Organisation, but what strategic role will agriculture play in DFID's plans for the future?

Mr Mitchell: Food security and agriculture are at the heart of many of the programmes that we operate in food-stressed areas. We are working increasingly closely with the World Food Programme, not only on the provision of emergency aid but on trying to enable food-insecure areas to change the way in which they secure their food so that it is sustainable in the long term. Very good work is being done in Karamoja, in northern Uganda, and we intend to intensify it.

Pauline Latham (Mid Derbyshire) (Con): The Secretary of State said that he would put more money into the development of democracy in 13 of the 16 countries that he listed. Elections have already taken place last year and this year, so we have missed the boat on those. Can we be certain that the programme will continue and that we will carry out intensive work with some of the countries that have not done as well as they might have in reducing corruption in the electoral process, not just during the four-year period that has been mentioned but, if necessary, for five or six years?

Mr Mitchell: My hon. Friend has asked a very good question. Over the next four years, we will work intensively to try to boost freer and fairer elections. As I said in my statement, we shall be working in 13 countries, notably Zimbabwe. We have made it clear that if there is a proper route map towards freer and fairer elections in that country, we shall be able engage much more directly in development work there.

Fiona Mactaggart (Slough) (Lab): It is all very well for the Secretary of State to be charming about Mrs Bachelet, the head of UN Women, but when I heard her speak at the Commission on the Status of Women last week, she pointed out that she still had to raise the bulk of the $500 million dollar budget of UN Women. Britain was the fourth biggest donor to UN Women last year, but although some 30 other countries have made commitments for 2011, we have thus far failed to do so. UN Women has an ambitious programme to tackle violence against women, to empower women, and to ensure that women's voices are heard in some of the poorest countries in the world. Why has the Secretary of State not yet made a decision?

Mr Mitchell: I think that I was respectful rather than charming about Mrs Bachelet, but as soon as we have a plan that we can fund, we will fund it. We have already provided some transitional funds. As the hon. Lady will know, there is specific funding to tackle violence against women, and she can rest assured that the Government strongly support this agency, as we always have. When we see the plan, we will fund it.

Joseph Johnson (Orpington) (Con): I welcome the tighter focus of the aid programme, but the India programme continues to present a juicy target for aid sceptics who criticise it for being directed at a nuclear power and a space power. Does the Secretary of State agree that it would be fairer for them to acknowledge that the civil nuclear programme is playing an essential part in meeting India's energy deficit, and that since its inception the space programme has focused largely on development, using satellite technology to give Indians in rural areas access to long-distance learning opportunities, remote health care and crop-related weather analysis?

Mr Mitchell: My hon. Friend makes an extremely good point. India presents a paradox, because although it has the programmes to which he refers, there are also more poor people in India than in the whole of sub-Saharan

Africa. Our programme is in transition: we are shifting its focus on to only three of the poorest states in India, and over the next four years up to half the programme will be spent on pro-poor private sector investment for development. We will not be there for ever, but now is not the time to end this programme.

Andrew Gwynne (Denton and Reddish) (Lab): How will the increase in aid to conflict-affected countries be evaluated to ensure it is having the greatest impact?

Mr Mitchell: In future, all our programmes will have detailed evaluation criteria from day one whether or not they are in conflict-affected areas, and, of course, the Independent Commission for Aid Impact will evaluate whether the taxpayer is getting good value for money. These criteria therefore apply across all our programmes, not just those that are easiest to evaluate.

Mr David Evennett (Bexleyheath and Crayford) (Con): I welcome my right hon. Friend's statement on the refocusing of our aid to target it and get value for money from it. Does he agree that education, particularly for girls, remains a top priority? What is his Department doing, and what more can it do, to encourage education throughout the developing world?

Mr Mitchell: My hon. Friend is absolutely right. For reasons he will readily appreciate, one of the best development investments we can make in terms of outcomes is to get girls into school, which is why that is such a key target for us. Over the next four years, Britain will educate 11 million children overseas, far more than in the whole of Britain, and, as I have said, at 2.5% of the cost. Therefore, if any of my hon. Friend's constituents say that this programme should be repatriated, he should point out that 2.5% of the cost would not even get one laptop per class.

Paul Flynn (Newport West) (Lab): An Inter-Parliamentary Union delegation visiting a former communist country last week was shocked to hear from the head of a trade union that she was under pressure to relinquish her post so that she could be replaced by a Government stooge. We offered her hope from the International Labour Organisation, which is the only effective body that can influence her Government. Why are we denying the ILO funds?

Mr Mitchell: As the hon. Gentleman will have heard me say, we are maintaining our membership of the ILO. However, if he looks at the report—which he can download from the internet immediately after this statement—he will see the professional analysis of the ILO's work, and he may then decide that there are organisations that might be better than the ILO in assisting the lady he mentioned in the specific circumstances he described.

Harriett Baldwin (West Worcestershire) (Con): Save the Children, which is a very well-supported charity in West Worcestershire, has particularly welcomed this review. The Secretary of State has just emphasised the importance of educating girls. Can he tell us how many more girls will receive an education as a result of this review?

Mr Mitchell: I am afraid that I cannot give that precise figure to my hon. Friend off the top of my head, but I shall write to her on the matter. What I can tell her is that last year Britain educated about 5 million children overseas, but that figure will rise substantially in the future.

Emma Reynolds (Wolverhampton North East) (Lab): Further to the question asked by my hon. Friend the Member for Slough (Fiona Mactaggart), does the Secretary of State recognise that the new agency UN Women needs some certainty about its budget in order to prepare its strategic plan, rather than the other way around? Will he therefore lead from the front, instead of delaying his decision as to how much to commit to this vital UN agency?

Mr Mitchell: I can reassure the hon. Lady that we are in very close touch with UN Women. When the plan is produced, I am sure we will be able to fund it. Meanwhile, we have given some hundreds of thousands of pounds in transitional funding to assist the agency to get to that point. This agency has only just been started; the hon. Member for Slough (Fiona Mactaggart) suggested we failed to fund it last year, but it has only just come into existence. With the transitional funding, it will be able to produce its strategic plan, and then I am sure we will be able to fund it.

Rehman Chishti (Gillingham and Rainham) (Con): I welcome the Secretary of State's excellent statement. Will he join me in paying tribute to the excellent work of UNICEF, which saves the lives of millions of children around the world, and will he now publish, in full and in detail, the review's analysis of UNICEF's performance?

Mr Mitchell: My hon. Friend will be able to download the review straight after this statement. UNICEF is doing a brilliant job, and I can assure him that we are going to be able to double its funding in the next two years and support it because of the excellent results that it is achieving and the very good work that it does.

Mr Michael McCann (East Kilbride, Strathaven and Lesmahagow) (Lab): Can the Secretary of State tell us what proportion of the current aid programme is allocated to multilateral aid, what proportion is allocated to bilateral aid and what the proportions will be after his reviews are put in place?

Mr Mitchell: If the hon. Gentleman downloads the reviews, he will be able to see the precise figures. The proportion used to be about 50:50, but it will be slightly different in the future. I stand to be corrected but, as I recall it, the multilateral element increases slightly, principally because of the very strong support for the World Bank. I will write to him on this matter.

Bob Russell (Colchester) (LD): I thank my right hon. Friend for his commitment to an ongoing aid relationship with the island of St Helena, whose citizens are, of course, British citizens. Can he confirm that proposals for the airfield on the island are still firmly on track?

Mr Mitchell: My hon. Friend is right to identify St Helena as an important dependent territory which rightly has our support. He will know that negotiations

[Mr Andrew Mitchell]

are ongoing on three key areas which, when they are the subject of agreement, will form the basis of a contract. I hope to be able to give the House more information in due course.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): I very much welcome the Secretary of State's announcement. He categorised the multilateral organisations as the good, the bad and the ugly, so will he say where, in his assessments, CDC falls?

Mr Mitchell: CDC is not one of the organisations that has been assessed as part of the multilateral aid review, because we are in the process of reforming the way in which it operates. The point that we have made in a written statement to the House is that widespread consultation is taking place on how we inject more development genes into CDC. Those negotiations and discussions are continuing, and I hope to be able to say more to the House shortly about how that will proceed.

Mr Philip Hollobone (Kettering) (Con): What proportion of the ongoing aid budget will be absorbed by India, and across the global programme what is the split between funding direct to Governments and funding to non-governmental organisations?

Mr Mitchell: My hon. Friend will be able to see that the figure for India is frozen at its current level for the next four years. If he looks at the results, which are available on the internet, he will see the different proportions of spending, but I can tell him that there will be less direct budget support under this Government's programme than there was under the previous Government's.

Mr Denis MacShane (Rotherham) (Lab): The Prime Minister, both in Kuwait last week and yesterday, has held up freedom of association as something that Britain should support, so this attack on the International Labour Organisation will horrify every trade union worker around the world. Britain founded the ILO, and in the 1980s the ILO was central to getting rid of Soviet communism and apartheid in South Africa. I know that the Secretary of State has to represent Lazard and the banking community, but this attack on working people around the world is shameful.

Mr Mitchell: That may have been a little over the top. First, we are not withdrawing from the ILO. We have made it clear that we will not be making any voluntary contributions to it. We remain a member of the ILO, but the subscription is paid for by the Department for Work and Pensions. Where countries find that the ILO is able to provide a specific service that offers value for money and effectiveness, they will be able to take on its services.

Mr Peter Bone (Wellingborough) (Con): The Secretary of State's performance today has confirmed, yet again, that he is the only Member of this House who can really run overseas aid. Given that, will he confirm that the extra £21 billion the previous Government forced us to pay to the EU to provide aid in the poorer EU states should come into his Department?

Mr Mitchell: My hon. Friend has a long record of speaking out vigorously on European issues and the whole House will have heard his comments today.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): The Secretary of State said, in response to my right hon. Friend the Member for Coatbridge, Chryston and Bellshill (Mr Clarke), that the Bribery Act 2010 will be implemented soon. Given that combating bribery, fraud and corruption is paramount in ensuring that aid gets to the right people and the right places, could he be a little more specific about when he anticipates Labour's Bribery Act being implemented and what he is doing to press his Government on this very important matter?

Mr Mitchell: I have made no secret of my very strong support for the Bribery Act—anyone who holds this office realises how incredibly important it is. I would say that the hon. Lady is a member of a party that did not do an awful lot about this in its 13 years in government. However, we will ensure that, once the wrinkles are ironed out, the legislation is up and running as soon as possible.

Mr John Baron (Basildon and Billericay) (Con) *rose*—

Mr Speaker: Order. It is always a pleasure to hear the hon. Gentleman but I have a faint suspicion that he toddled out of the Chamber at one point, which is of itself not a criminal offence, but it does rather disqualify him from participating in the exchanges on the statement. We will hear from him again soon I am sure.

Chris Bryant (Rhondda) (Lab): Why on earth are the Government lending £160 million to the Turks and Caicos Islands, which have a very high gross domestic product per head, and why are we also allowing the Cayman Islands to borrow a similar amount of money without introducing anything to tackle their tax haven status?

Mr Mitchell: The hon. Gentleman did not listen carefully to my earlier response, which was that the Government are supplying a guarantee to the Government of the Turks and Caicos Islands so that they have a period of time in which to sort out their financial difficulties. If all goes well, there will not be any costs at all to the British taxpayer as a result.

Mr Speaker: I must thank the Secretary of State and colleagues for their succinctness, which has meant that everybody who wanted to get in was able to do so.

Intercity Express and Rail Electrification

4.31 pm

The Secretary of State for Transport (Mr Philip Hammond): With permission, Mr Speaker, I shall make a statement on the Government's plans for extension of the electrification of the Great Western main line and for the procurement of a replacement for the existing diesel inter-city trains. The two issues are closely connected. First, I shall address the provision of a new generation of inter-city 125 mph trains to take advantage of the electrification of the Great Western main line and to allow the phasing out of most of the ageing diesel InterCity 125s.

In February 2009, the intercity express programme, launched by the previous Government, identified Agility Trains, a consortium of Hitachi Rail and John Laing plc, as the preferred bidder to provide a new fleet of inter-city trains. Subsequently, the previous Government placed the process on hold and ordered a review of the procurement by Sir Andrew Foster. Last summer, recognising the fiscal challenges that the UK faces and the impact of the new Government's plans for high-speed rail to Leeds and Manchester, Agility put forward an improved, lower-cost proposal to provide the required service through a mixed IEP fleet with some all-electric trains and some with a combination of electric and diesel power, allowing it to operate through services beyond the electrified railway. The proposal retained the more modern electric InterCity 225s on the east coast main line, as the previous Administration had proposed.

We have reviewed the proposal against the alternative of an all-electric fleet, with purpose-built diesel locomotives coupled to trains to haul them beyond the electrified railway. Either way, it would represent a multi-billion pound investment for this country, underpinning the operation of inter-city services on the conventional railway for many years to come, and it is imperative that the right choice be made.

As I said at the time of my statement to the House on 25 November, there were complex legal, technical and commercial issues to be addressed and both the Government and Agility Trains, as preferred bidder, recognised that. Over the past few months, we have worked together on these issues and I can now announce that I am resuming the IEP procurement and proceeding with the proposal that Agility Trains has put forward as preferred bidder. We will now work with Agility Trains with a view to reaching financial close by the end of this year. That is, of course, subject to the Government's continuing to be satisfied that the proposal offers value for money as the commercial negotiations are concluded and that the final arrangements are compliant with the United Kingdom's European Union obligations. This deal will allow us to provide better, faster, more comfortable services and to continue providing through journeys between London and parts of the rail network that are not electrified. In total, there will be over 11,000 more peak-time seats each day on the Great Western main line and the east coast main line post-IEP compared with today.

Hitachi is today confirming its plans to locate its European train manufacturing and assembly centre at Newton Aycliffe in County Durham. That investment is expected to create at least 500 direct permanent jobs, as well as hundreds of temporary construction jobs. Thousands more job opportunities will be created in the UK manufacturing and service supply chains. Coming just days after the news of the reopening of the Redcar steelworks, this is a massive and very welcome shot in the arm for the skilled work forces of the north-east's industrial heartland.

I turn now to the related issue of electrification of the Great Western main line. I announced to the House on 25 November that, over the next six years, Network Rail will electrify the commuter services on the Great Western main line from London to Didcot, Oxford and Newbury. I recognise that this announcement, although welcomed in the Thames valley, left unanswered the clear aspirations of rail users further west for the extension of electrification to Bristol and into Wales. I and my right hon. Friend the Secretary of State for Wales have subsequently considered the options for extending electrification, alongside the Government's consideration of the proposals for replacement of the current diesel InterCity trains, and in close consultation with the Welsh Assembly Government.

We have concluded that there is a case for extending electrification westwards to Bristol and Cardiff, and I am today asking Network Rail to add that major extension to its electrification programme immediately. This is good news for Wales and the south-west against a backdrop of public spending constraint as we deal with the legacy of debt that we inherited. Bringing electrification to Cardiff will mean that we are linking, for the first time, the capital cities of England, Scotland and Wales by electrified rail. These measures will deliver a London to Cardiff journey time of 1 hour and 42 minutes and will shave 22 minutes off the London to Bristol journey.

I have received representations calling for the electrification of the Great Western main line to be extended as far west as Swansea and we have looked carefully at the arguments. The business case for electrification is heavily dependent on the frequency of service. Services between London and Swansea currently operate at a frequency of only one train an hour off-peak. There is no evidence of a pattern of demand that would be likely to lead imminently to an increase in this frequency. Consequently, I regret to have to say that there is not, at present, a viable business case for electrification of the main line between Cardiff and Swansea.

However, because of the decision to proceed with Agility's proposal for a bi-mode train, journey times from London to Swansea will be shortened to 2 hours and 39 minutes—20 minutes faster than today—with trains switching automatically to diesel power as they leave Cardiff. As the constraining factor on the south Wales main line is speed limitations dictated by the geometry of the line, there would be no time-saving benefits from electrifying the line from Cardiff to Swansea. However, the policy of the Government is to support a progressive electrification of the rail network in England and Wales, for environmental reasons among others. My right hon. Friend the Secretary of State for Wales and I will therefore keep under active review the business case for future electrification of the Great Western main line between Cardiff and Swansea in the light of developing future service patterns.

[Mr Philip Hammond]

I have a further announcement to make to the House. In the course of the examination of the case for electrification in south Wales that I and my right hon. Friend have undertaken, we have established, at an initial high level, that there appears to be a good case for electrifying the key valley commuter lines north of Cardiff via Pontypridd and Caerphilly to Treherbert, Aberdare, Merthyr Tydfil, Coryton and Rhymney, as well as the lines to Penarth and Barry Island to the west. My Department will therefore work with the Welsh Assembly Government to develop a full business case for the electrification of the Cardiff valley lines during the next rail investment control period beginning in 2014. The Welsh Assembly Government will need, in parallel, to consider the case for specifying suitable electric trains for those routes when the Wales and Borders franchise is re-let in 2018. That would, of course, be a prerequisite for electrification proceeding, and the timetable for franchise re-letting and re-specification necessarily dictates the time scale of the proposed electrification.

On the basis of our preliminary evaluation, the valleys electrification represents the best value for money rail electrification investment that can be made in Wales. It promises to bring all the benefits of electric commuter trains—faster acceleration, greater comfort, cleaner and greener travel, and greater reliability—to rail users in south Wales. It would have a significant effect on the economy of Cardiff and the valleys by deepening labour markets, improving connectivity and significantly enhancing the attractiveness of the area to investors. Coupled with the electrification of the Great Western main line, it would represent a major boost to the economy of south Wales as a whole. These three decisions—on the intercity express programme, on Great Western main line electrification and on building the business case for electrification of the valleys commuter lines—represent a major further investment in UK rail infrastructure. They follow the announcements that I have already made on Crossrail, Thameslink, tube upgrades, Thames valley and north western electrification and additional rolling stock.

The decisions sit alongside the Government's proposals for high-speed rail, the consultation on which I announced to the House in a written statement yesterday, as testimony to this Government's commitment to investment in the future of Britain's railways. They represent excellent news for passengers on the Great Western main line and the east coast main line, for commuters on the Cardiff valley lines and for the economies of south Wales and north-east England as a whole. I commend this statement to the House.

Maria Eagle (Garston and Halewood) (Lab): I thank the Secretary of State for the early sight of his statement—he actually sent me two statements, although they appear to be the same. I will begin by welcoming the much delayed green light that he has today given to the new intercity express programme, which was launched by Labour before the last election. That this programme is now to go ahead, with the significant boost for jobs that he referred to, is testament to the tenacity and tireless campaigning of my hon. Friend the Member for Sedgefield (Phil Wilson), *The Northern Echo*, the local community trade unions, particularly Unite, and the local work force. I congratulate them all on what has been an incredible triumph for their campaign.

Can the Secretary of State confirm when passengers will first be able to enjoy these new trains? Have the delays in making the announcement had any impact on the delivery date for the trains? Will he confirm whether he has made any other changes to the contract, for example to the number of trains or the cascading plan for the existing rolling stock, as a result of today's announcement?

The Opposition obviously welcome the decision to go ahead with the electrification of a further stretch of the Great Western main line to Cardiff. It is the result of the commitment we made in government and also the efforts made since the Secretary of State's last statement in November by my right hon. Friend the Member for Neath (Mr Hain), my hon. Friend the Member for Pontypridd (Owen Smith), the First Minister of Wales, Carwyn Jones, other MPs and Assembly Members, and the business community across south Wales. I am glad that the Secretary of State has listened to them about the vital need for modernisation, which will speed up the journey time between our capitals from 2 hours five minutes to 1 hour 40 minutes, which has to be welcome. It is a real boost to business, with the potential for investment and jobs, and to Wales.

However, does the Secretary of State understand the deep upset that will be felt by people in Swansea and across Wales at the St David's day disappointment that the electrification will not continue as far as Swansea, as Labour had intended? He has broken his manifesto commitment to

"support the electrification of the Great Western line to South Wales."

The Secretary of State for Wales, who I am glad to see is in her place, was pretty quiet yesterday when the Transport Secretary confirmed plans for a high-speed rail route through her constituency, which she previously said she could not support. The people of south Wales will expect her to be more vocal today in explaining why the Government have let down the people and businesses that are further south and west than Cardiff.

The Transport Secretary has just extolled the virtues of electrification, including, in his own words, its "significant effect on the economy of Cardiff and the valleys—deepening labour markets, improving connectivity and significantly enhancing the attractiveness of the area to investors." Why cannot the people of Swansea, and of west Wales beyond Swansea, also have that advantage? Can he confirm when the electrification of the line to Cardiff will be completed, and why, as far as he is concerned, electrifying just 40 more miles of track to Swansea appears to be such a bad idea?

Is it not true that the case for electrification was previously approved by the Treasury? Anybody who has dealt with the Treasury, as we now all have, knows that the rate of return would have had to meet its tough criteria, so why does the right hon. Gentleman continue to suggest that there is no proper business case for electrification all the way to Swansea? Does he accept that, if Swansea is not a part of the single roll-out construction programme, the Government will incur 20% additional costs to stop construction and then take it up again? He is in fact saying that the stretch of line from Cardiff to Swansea will not be electrified at all—except by incurring unnecessarily high extra costs.

I welcome in the right hon. Gentleman's statement the part about looking at further electrification in Wales on the valleys train lines, but he is holding out the promise of potentially producing a post-dated cheque at a later date, because there is no funding available in this spending review period. He says that he has made a decision about the matter, but his only decision has been to look at whether there is a business case, so there is no guarantee of his carrying out the project. Perhaps he is trying to deflect attention from the fact that he is failing to meet his manifesto commitment to take electrification all the way to Swansea.

Will the right hon. Gentleman update the House on where his Department is with the procurement of the 1,200 new carriages for Thameslink? We still have not heard about that major project, in which many UK jobs are at stake, and it would be good if we did not have to put up with Thameslink being hit by the same delays that have beset the IEP project. Does he have an updated time scale for when the new Thameslink and Crossrail trains will benefit passengers by actually being in service? Will he explain what impact the delay will have on the plans for cascading the existing rolling stock?

Why, when the right hon. Gentleman must have known that he was making a statement today, did he choose yesterday to slip out by written answer—without informing the media or the House—a decision to end all funding for local rail schemes that local authorities and integrated transport authorities develop? His decision means that no new schemes will be able to go ahead between now and April 2015. Can he explain why that decision was not made in the comprehensive spending review, and why he put it out yesterday under cover of his publication of the high-speed rail consultation?

As I have made clear, I welcome today's confirmation of the investment in the rail network that Labour planned and announced when in government. The additional electrification and the major project to replace our outdated inter-city fleet will significantly improve the passenger experience on our rail network and bring economic benefits to the country. However, the unnecessary delays in bringing forward those plans, and the decision to bring disappointment to south Wales on St David's day, are just further evidence of the dither and delay that seems to grip the right hon. Gentleman's Department. Both of his announcements today imply more delay than the original plans. His third announcement on further electrification in Wales is another example of jam tomorrow but no money today, and no guarantee of progress. In the end, he will be judged on what he delivers, and Labour Members will be looking closely at that.

Mr Hammond: We have been treated to a classic rant. There are two types of people in this world: the glass-half-full brigade and the glass-half-empty brigade—and let us guess which one the hon. Lady belongs to. She is determined resolutely to find bad news even in a statement about massive investment at a time of constrained public spending.

The hon. Lady, apart from treating us to a read-out of her contacts book, which was fascinating, had the nerve to accuse us of unnecessary delays. I would like to remind her that it was the previous Administration who pulled the IEP procurement and asked Sir Andrew Foster to review it, reopening the issues. I can tell her today that trains will start to be delivered to the Great Western main line from 2016 and on to the east coast main line from 2018.

On the question of electrification, the hon. Lady mentioned the right hon. Member for Neath (Mr Hain), the man who talks a good talk about electrification but was, if I remember rightly, Secretary of State for Wales in the previous Administration—an Administration who, in 13 years, did not manage to electrify a single inch of railway in the Principality. A couple of weeks ago, the hon. Lady, who is now so keen on electrification in Wales, was telling us that Labour had no commitment to electrification in Wales because it was conducting a spending review and everything was up for grabs. That was until the very same right hon. Member for Neath came along and slapped her down, and made her change her tune.

The hon. Lady talked about our manifesto commitment at the last general election. I can tell her—*[Interruption.]* I have it right here; I will quote it back to her in a minute if she wants. Our manifesto commitment at the last general election was to electrify the railway into south Wales. I know that she is not shadow Secretary of State for Wales, but even she should know that Cardiff is in south Wales. We have delivered today on the commitment that we made.

The hon. Lady made a plea for electrification to Swansea. I understand that people in Swansea will be disappointed by the announcement that I have made today because of the expectations that the previous Government raised without bothering to establish that there was a sound business case for the proposed expenditure. However, she has not, at any point, made a logical argument for the electrification that she pleads for. I have told her that the bi-mode trains that we are procuring will deliver a journey time saving of 20 minutes to Swansea—the same journey time saving that the previous Government were promising through electrification. We will deliver the benefits to the people of Swansea from electrification to Cardiff and continuing bi-mode train operation onward from Cardiff to Swansea. She asked me about the electrification to Cardiff. That will be completed in 2017.

On the valleys electrification, the hon. Lady says that there is no funding in the spending review. I am disappointed that she has not yet grasped the complexities of rail capital funding. Network Rail funds electrification through its regulated asset base. The investment programme is set in control periods, the next of which starts in 2014. What I have announced today is that we have established that there is, on the face of it, a strong business case for this investment in the valleys electrification. We will work it up with Network Rail and the Welsh Assembly Government, with a view to including it in the next investment programme period.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Nigel Evans): Order. A lot of Members wish to get in on this statement, so single and short questions would be welcome.

Roger Williams (Brecon and Radnorshire) (LD): In the face of gloom, doom and whingeing from the Opposition, this is really good news for Wales. St David's day will be toasted with a full glass in Cardiff and a nearly full glass in Swansea. I am pleased that the

[Roger Williams]

Secretary of State said that he will continue to review the case for electrification to Swansea. Will he confirm that he will do so?

Mr Hammond: As I have said, my right hon. Friend the Secretary of State for Wales and I will continue actively to look at the case for electrification to Swansea. I said that we would do so in the light of developing service patterns. The important point is that once the valleys lines are electrified, it is quite possible that new electric services could be provided that head through Cardiff and to the west, which might change the economics, and thus the business case, for the Cardiff to Swansea section.

Phil Wilson (Sedgefield) (Lab): I congratulate the Secretary of State on his announcement on the intercity express programme. As he knows, the investment and jobs involved are very important for my constituents in north-east England. Will he join me in congratulating the Back on Track campaign, which was led by *The Northern Echo*, Durham county council, the chamber of commerce and the northern TUC? Will he also congratulate my constituents on the way in which they brought this matter to the attention of the Department for Transport, and helped it to make the right decision?

Mr Hammond: I am happy to acknowledge the hon. Gentleman's tireless battle for the IEP. He has arranged for various worthies from his constituency to visit me and the Department to make the case. This has been a complex process with legal, technical, financial and commercial issues to resolve. We have worked closely with Hitachi to get to this point. I understand that he wanted us to get here more quickly, but I assure him that we have progressed as fast as possible.

Jonathan Evans (Cardiff North) (Con): As a Cardiff Member of Parliament, I thank my right hon. Friend unequivocally for today's announcement. I also congratulate my right hon. Friend the Secretary of State for Wales, who has fought her corner wonderfully. Making the case for the electrification of the valley lines in the announcement was something that Opposition Members did not expect and that they were never committed to. From June 2009, they were supposedly committed to electrification, and yet nothing whatsoever was done. Will my right hon. Friend the Secretary of State for Transport commit to ensuring that this announcement is carried forward, unlike the announcements that were made by those who are now on the Opposition Benches?

Mr Hammond: Absolutely; I give my hon. Friend that commitment. The hon. Member for Garston and Halewood (Maria Eagle) used most of her time in responding to the statement by talking about Swansea. The evidence shows that there is a much stronger business case for the electrification of the valley lines. When a limited amount of public money is available, it is absolutely incumbent on us—she can ask her sister about this—to ensure that it is spent on the areas that deliver the best value for money to the Exchequer.

Mrs Siân C. James (Swansea East) (Lab): Having fought a long and hard campaign to get rail electrification in Swansea, I congratulate Cardiff and the valleys because their glass is very much full at the moment—I will raise a glass to them. Unfortunately, I will have to go back to my constituents in Swansea and explain that they are not as important. I will have to explain that modern transport and infrastructure, and opportunities for investment and tourism are not on the cards for them. The Secretary of State spoke about there being no good financial case for rail electrification to Swansea. All the trains along the south Wales main line—I will talk slowly to make this point—

Mr Deputy Speaker (Mr Nigel Evans): Order. I know how passionate the hon. Lady is about this matter, but please can we have single, short questions, because a lot of Members wish to get in?

Mrs James: Most of the trains along the south Wales main line have to go to Swansea, because it is a turnaround point. How can we increase the pattern of trains to Swansea if we have already said that trains do not go there as often as we need them?

Mr Hammond: Obviously I understand that the hon. Lady is disappointed. She has made her pitch to me repeatedly, having caught me every time I have passed behind the Chair over the past few months. I am sorry that I have had to be rather uncommunicative, but she will understand the reasons. I am disappointed that she has not acknowledged that the huge time-saving benefit from electrification will be delivered through the introduction of bi-mode IEP trains and the electrification of the route as far as Cardiff. Because of the line speed restrictions, there would be no further time savings for Swansea even if we electrified the rest of the line. Huge benefits will be delivered to Swansea—a 20 minute time saving is extremely significant. I hope she will at least acknowledge that that will be a huge benefit for the area that she represents.

Mr James Gray (North Wiltshire) (Con): I warmly welcome the Secretary of State's announcement this afternoon. Will he confirm my memory that Isambard Kingdom Brunel's Great Western main line runs from Swindon, through Chippenham and Bath, to Bristol Temple Meads, not on the branch line from Bristol Parkway and onwards to Wales? Does he intend to allow the electrification of the line to Bristol Temple Meads, as well as the branch line to Wales?

Mr Hammond: I am not sure whether I mentioned this in my statement, but my hon. Friend is absolutely correct—the electrification will include the line through Bath to Bristol Temple Meads and also the line from Bristol Parkway to Bristol Temple Meads. That will ensure that we can increase the frequency of London-Bristol Temple Meads trains to four per hour and shave 20 minutes off the journey time to Bristol Temple Meads from London, using the Bristol Parkway route rather than the Bath route to get the additional time saving.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): I fully appreciate the announcement as far as Cardiff and the valley lines are concerned, and I congratulate the Government on it. In a spirit of, I hope, reasonable suggestion, may I ask the Government to ensure that work is done urgently to see how the line speed from Cardiff to Swansea can be improved in due course, so that electrification can be taken across to Swansea with, I am sure, a good business case?

Mr Hammond: I welcome the right hon. Gentleman's comment, because it is at least a constructive comment that plays into the need to develop a proper business case for a proposal. We can consider line speed improvements, and indeed the current rail investment programme includes a significant number of them, including some on the network in south Wales. However, I understand that the geography of the area creates some difficulties and potentially some very significant expense in enhancing the line speed between Cardiff and Swansea.

Martin Horwood (Cheltenham) (LD): Having travelled the Great Western main line this morning, may I welcome the statement warmly? It promises far more quiet, efficient, reliable and energy-efficient trains for my constituents and many others than the last Government ever delivered. It is good news for English and Welsh jobs, and incidentally it makes an even stronger case for the redoubling of the Swindon to Kemble line, which would add resilience.

In the Department's long-term thinking, will Ministers still look favourably on eventual electrification to Swansea and on longer franchises for train operators, which might in time enable them to specify their own rolling stock? That would add even more to an increasingly bright future for Britain's railways.

Mr Hammond: As the hon. Gentleman will know, we have already announced that we intend to operate a longer default franchise period of 15 years, to start to stimulate exactly the type of behaviour that he talks about.

It is the Government's policy to support a progressive electrification of the railway throughout England and Wales—Scotland makes its own rail infrastructure investment decisions—not only because of time savings but because of the environmental case for an electric railway. Through progressive investment control periods, we will continue to look to roll out the electrification of the railway across England and Wales.

Geraint Davies (Swansea West) (Lab/Co-op): This is a sad and disappointing St David's day for Swansea—[HON. MEMBERS: "Ah!"] Well, it is, particularly in the light of the fact that the Secretary of State denied a meeting with private sector stakeholders and Swansea university, alongside the MPs of Swansea and west Wales, to examine the business case for inward investment in further electrification. Given that Swansea is the second worst-hit city in the UK from Government cuts, will he undertake to have that meeting at long last with those stakeholders, including the university, even though he has made the decision already? That would enable them to discuss the co-operation and inward investment of Rolls-Royce, Tata, Boots and other companies that are coming to Swansea. They would have made that case had he been bothered to have a meeting with them.

Mr Hammond: I can tell the hon. Gentleman that my officials discussed the business case for electrification to Swansea with Welsh Assembly Government officials exhaustively, but he misses the fundamental point. He talks about Rolls-Royce and Tata, and if they are looking at rail investment as a criterion for investment, they will be examining journey time savings. The IEP announcement that I have just made introduces a journey time saving of 20 minutes to Swansea. He should go back to Swansea, rejoice in that saving and pick up the phone to Rolls-Royce and Tata to tell them how it improves the case for investment in his city.

Alun Cairns (Vale of Glamorgan) (Con): This is a first-class announcement on St David's day for my constituency and the whole south Wales economy. Announcing electrification of just the main line would have been good, but to consider the valleys lines and the line to Barry Island, which is in my constituency, gives the statement gravitas.

My right hon. Friend the Transport Secretary has mentioned the inaction of the former Secretary of State for Wales, but will he outline what action was taken by the current Secretary of State for Wales in bringing about pressure for this announcement?

Mr Hammond: My right hon. Friend the Secretary of State for Wales and I discuss such matters all the time—I always discuss with them matters that trespass into the jurisdictions of my right hon. Friends the Secretaries of State for Wales and for Scotland—but it would be inappropriate for me to give the House details of discussions that occur between Cabinet colleagues.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): I welcome the announcement of major investment in rail, although there is considerable disappointment in relation to Swansea. Will the Secretary of State indicate what the benefits of that investment will be in terms of jobs and economic growth, and when does he expect them to materialise?

Mr Hammond: If the hon. Lady is talking about the wider package, I can tell her that there are obviously many components to it. Jobs will be created through the electrification process over a number of years as Network Rail gears up to deliver that programme, and others will be created at Newton Aycliffe for the IEP. Further jobs—thousands of jobs—will be created in the UK supply chain that will support that major investment which, incidentally, is not just about delivering the UK IEP, but about Hitachi's manufacturing and development base for its involvement in European rail in future.

In addition, of course, there will be huge benefits in the south Wales area from the electrification of the valleys lines—what economists like to call agglomeration benefits, meaning the reinforcement of the economy that happens when connectivity is improved and labour markets are deepened. Those will allow people in towns up the valleys lines, some of which, frankly, are among the most deprived in Wales, more readily to access the markets and economy of Cardiff, which is a powerhouse for the area. That will bring significantly increasing prosperity and wider opportunities for people who live in the Cardiff hinterland.

David T. C. Davies (Monmouth) (Con): Had the Secretary of State announced that he was electrifying and putting a high-speed train on every branch line in Wales, Opposition Members would still object. Will he instead accept the congratulations of all those who are worried that some want Wales to become more separate? His statement is a tangible way of putting Wales at the heart of the UK. Dewi Sant will be looking down today with a glass not half full, but almost overflowing.

Mr Hammond: My hon. Friend puts it very eloquently. He has clearly spotted the glass-half-empty tendency of Opposition Members, which disappoints me. I cannot think why they would wish to score political points today.

Helen Goodman (Bishop Auckland) (Lab): The Secretary of State probably knows that the first steam trains were made in Shildon, so it is quite right that the skills of the County Durham work force should be recognised in his statement. He says that he will work for financial close over the course of this year, but can he say when jobs will materialise?

Mr Hammond: I understand that Hitachi will issue a press release broadly simultaneously with my statement that will set out more details of its plans, but clearly, it will be unable to start building factories until financial close occurs later this year. There will then be a factory to build, which will create hundreds of temporary jobs in the area. I have heard that the owners of the industrial estate on which the factory will be built have also indicated that they will expect to build other units simultaneously on a speculative basis in anticipation of suppliers to Hitachi wanting to locate around the factory. I therefore hope that there will be significant construction job creation quite early in the programme. Then, of course, Hitachi will begin recruiting for the permanent jobs for the actual building of the trains—my guess is that this will happen later next year, but it is for the company to confirm.

Duncan Hames (Chippenham) (LD): I welcome the Secretary of State's clarification that electrification to Bristol will also take in the line through Bath and Chippenham. Can he confirm my estimation that this proposal might even bring down journey times from London Paddington to Chippenham to less than one hour?

Mr Hammond: It may surprise the hon. Gentleman to know that among the many destinations for which I have journey time savings, Chippenham does not appear, I am afraid. However, I will be very happy to get back to him immediately after this statement.

Nia Griffith (Llanelli) (Lab): My constituents will be very disappointed that electrification will be starting in Cardiff, but not in Swansea. However, will the Secretary of State look into the franchising agreement and consider whether anything can be done so that my constituents can benefit more from reductions in journey times by having more through bi-mode trains that go all the way from London to Llanelli, Kidwelly and beyond to the Irish ferries, rather than having to change? That is the case with nearly all the trains at the moment, and it involves an enormous amount of delay and wasted time.

Mr Hammond: I am happy to look at the issues that the hon. Lady raises. Of course, responsibility for franchised operations is shared between the UK Government, in respect of the through services from London, and the Welsh Assembly Government, in respect of locally originating services. However, I will certainly consider her point. The IEP train fleet will give us greater flexibility.

Mr Rob Wilson (Reading East) (Con): I welcome the statement, particularly the increase in passenger capacity that will result. My right hon. Friend will be aware that over the next five years Reading station will undergo a major redevelopment through Government investment. Will he ensure that all necessary works for IEP and electrification are undertaken alongside the alterations made to Reading station, because I am sure that it would result in cost savings?

Mr Hammond: My hon. Friend makes a very sensible point. I will raise it at my next meeting with the chief executive of Network Rail, and ensure that it is being done in a properly co-ordinated manner.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I welcome today's announcement on the intercity express programme, and I look forward to welcoming the trains themselves to Newcastle in due course. Will the Secretary of State confirm that he will work with his colleagues across Government to ensure that local communities, businesses, universities and further education colleges receive the kind of support that they need to ensure that the Hitachi centre can be a platform for jobs and growth for the region as a whole?

Mr Hammond: The hon. Lady is absolutely right that when we get such an opportunity to reinforce our skills base and move up the value-adding curve with our work force, we have to seize it. There is already a project in Nottingham that I am hoping to visit very shortly that involves rail engineering apprenticeships, and there is another project in Crewe that I have been invited to go and see. We need to generate more of these projects in response to the investment opportunities arising. I agree completely with the sentiment that she expresses.

Stephen Hammond (Wimbledon) (Con): I welcome unequivocally my right hon. Friend's statement and its excellent news for rail infrastructure. He will be aware that ongoing designs for existing platforms are usually more cost-effective than new designs. Will he confirm to the House, therefore, that the revised Agility proposal represents better value for the British taxpayer both in what it represents and in cost terms?

Mr Hammond: The value-for-money appraisal certainly shows that the revised Agility proposal represents the highest value for money of the proposals that we have considered for the replacement of the inter-city diesel express trains. It represents a strong value-for-money case and is affordable. Hitachi has responded in an exemplary way to the Government's commitment to high-speed rail—that changes the dynamics—and to the UK's fiscal situation in order to ensure that we can go ahead with the programme.

Stewart Hosie (Dundee East) (SNP): I welcome both the statement and having had early sight of it. I agree with the Secretary of State that the purchase of the locomotives will represent a multi-billion pound investment that, as he said, will underpin the provision of inter-city services. May I ask him whether the decision is for bi-mode hybrid trains or for a mixed fleet of diesel and electric trains, and whether sufficient numbers will be bought on time to guarantee the continuity and frequency of direct services from London on the east coast main line north of Edinburgh, through Fife, Dundee, Angus and Aberdeen?

Mr Hammond: It is not about diesels. There will be no diesel traction locomotives in the mix; there will be bi-mode electric-diesel trains and all-electric trains. The services to Aberdeen and Inverness will be provided by the bi-mode trains, running straight off the wires at Edinburgh and on to the existing routes, so that service will be protected.

Mr Wayne David (Caerphilly) (Lab): In the spirit of St David's day, I respectfully remind the Secretary of State that St David probably lived in west Wales. Has he made any assessment of the extent to which west Wales and Swansea will lose out from his partial electrification of the south Wales line?

Mr Hammond: Many people coming from England will access west Wales through Cardiff, and journey times to Cardiff are being reduced. Everybody would like a high-speed railway running right to their front door, but as we—*[Interruption.]* Okay, to the next street. As we progressively modernise our infrastructure with electrification and new train services, the impact will be felt by all locations. Even those locations not directly benefiting from the new, faster services will benefit from the savings in time, and I am sure that the hon. Gentleman's constituents in west Wales will benefit significantly from today's announcement.

Neil Carmichael (Stroud) (Con): In congratulating the Secretary of State on a first-class example of investment in infrastructure that, in the context of protecting the environment, will bring jobs and further growth, may I remind him that, as my hon. Friend the Member for Cheltenham (Martin Horwood) said, it also strengthens the case for taking action to continue doubling the line from Swindon up to Kemble and Stroud?

Mr Hammond: I am well aware of the vigorous campaign to redouble the Kemble to Swindon link, and I know that the case will continue to be made for it as a major investment programme, and also for its possible inclusion in Network Rail's next control period.

Gavin Shuker (Luton South) (Lab/Co-op): Following the delivery of the IEP, will the Secretary of State tell the House how many ageing InterCity 125s will still be on the network and for how long?

Mr Hammond: Only a small number of diesel 125s will remain on the network, and they will be serving the route down to Penzance in Cornwall. All the other 125s will be replaced by bi-mode trains under today's proposal. I cannot say for how long those diesel 125s will remain on the network. There are no specific proposals to replace them at the moment, but I would remind the hon. Gentleman that the intercity express programme was always conceived as a commitment to a firm fleet of trains as the first phase, with options on further trains for future phases. It will therefore be for my successors at some point in the future to consider whether the remaining InterCity 125s should in due course be replaced by bi-mode IEPs.

James Wharton (Stockton South) (Con): It is a matter for hon. Members whether they see their glasses as half empty or half full, but I am pleased to see the Government busily topping glasses up. As a representative of a north-east constituency, I am also pleased to say that last week we had the excellent news that Teesside Cast Products was being sold to SSI—Sahaviriya Steel Industries—and now we have today's announcement from the Government. Does my right hon. Friend agree that this is a vote of confidence—not just by the private sector, but by the Government—in the skills and abilities of those working in manufacturing right across the north-east?

Mr Hammond: I absolutely agree with my hon. Friend: it is a vote of confidence in UK manufacturing. This Government are committed to rebalancing the economy, reviving manufacturing and reasserting the value of Britain's manufacturing skills base, and both announcements play to that theme.

Mr Clive Betts (Sheffield South East) (Lab): Let me bring the Secretary of State to the question of the midland main line—the forgotten line in this country—and ask him about the ageing high-speed trains, as my hon. Friend the Member for Luton South (Gavin Shuker) has just done. Those trains were second-hand when they were introduced on the line. Can he give a commitment that we will actually see bi-mode trains introduced on the midland main line? We have the immediate advantage of being able to use the electric line up to Bedford, allowing electrification of the rest of the line progressively and incrementally in the future.

Mr Hammond: The announcement today does not include provision for the midland main line. The hon. Gentleman mentioned bi-mode trains, and I am sure that he has also been lobbying for the electrification of the line, as have many other midlands Members. The debate about the line's future also has to take account of the implications of High Speed 2, however. Once the High Speed 2 consultation, which began yesterday, has been completed and the Government have announced their definitive plans later this year, it will be much easier to plan for the long-term future of the midland main line.

Karl McCartney (Lincoln) (Con): This might not be quite as headline-grabbing as my right hon. Friend's statement today, but he will be aware that, on 22 May this year, my constituents will see the reintroduction of a direct link to London. However, this will be only a single daily service—once up and down. Does he think that the old diesel stock whose replacement he has announced today could be put to good use in increasing the level of service to and from my constituency?

Mr Hammond: My hon. Friend is certainly right to say that one of the benefits of any announcement of new rolling stock is that it creates a larger pool of retired rolling stock and thus creates greater opportunities for train operators to acquire rolling stock leases at sensible prices. This helps to change the dynamics of the rolling stock market for the benefit of passengers and train operators.

Paul Flynn (Newport West) (Lab): A word of croeso for the report, but my constituents are still greatly irritated by the fact that the Ebbw Vale to Cardiff line, which was reopened by the previous Government and is hugely successful, passes through the city of Newport but does not stop at the main station there. This affects many passengers who normally commute to Newport and whose access to the shopping centre there is now being denied. When can the appropriate link be put in place?

Mr Hammond: I am looking at my map, and, as the Minister of State, Department for Transport, my right hon. Friend the Member for Chipping Barnet (Mrs Villiers) reminds me, it is a matter for the Welsh Assembly Government to specify services on the Wales and west franchise.

Mr Edward Timpson (Crewe and Nantwich) (Con): Will my right hon. Friend ensure that, should the preferred consortium for the IEP contract be unable to deliver all that is has offered, other bidders in the procurement process, including Bombardier Transportation, which has a site in my constituency, will be given due and proper consideration in any future procurement that might result from such a situation? Will he also ensure that its strong, advanced technical expertise is taken into account?

Mr Hammond: My hon. Friend makes a plea for Bombardier, which has a site in his constituency. Bombardier is involved in programmes for the delivery of other trains in the United Kingdom, and I think that it has a very bright future in the UK train market. The IEP project is a train availability contract to supply trains, ready for use and fully maintained. Hitachi or the Agility consortium will therefore be entering into an obligation to deliver specified numbers of trains ready and available for use in accordance with that contract, and it will be a matter for them to ensure that those trains are made available.

Stephen Williams (Bristol West) (LD): This statement will be warmly welcomed in Bristol. As an émigré valleys boy, may I also point out that it will be welcomed in my home village of Abercynon, where the world's first railway journey ended in 1804? The Secretary of State mentioned that the line from Bristol Temple Meads to Bristol Parkway was to be included in the electrification plans. Will that open the window for looking at the business case for electrifying the Severn Beach line, which the Rail Minister will be visiting with me on Friday?

Mr Hammond: I always learn something in these situations. I thought that the world's first railway journey started somewhere up near Darlington, so if it ended in the Welsh valleys, it was doing extremely well. My right hon. Friend the Rail Minister will be happy to discuss this matter further with my hon. Friend. I know that she has already discussed the proposal with him and is looking at the business case for it with a view to its inclusion in future programmes.

Mr Philip Hollobone (Kettering) (Con): May I press the case for the midland main line and encourage the Secretary of State to look at the introduction of upgraded, bi-mode inter-city trains on that line, not least because that might well facilitate the reintroduction of an inter-city service between Kettering and London, which was taken away when it was effectively downgraded to an outer suburban service?

Mr Hammond: I can only say to my hon. Friend what I said to the hon. Member for Sheffield South East (Mr Betts)—that the future use of the midland main line is bound to change if the high-speed rail network proposal goes ahead. By the end of this year—once the high-speed network is to be built, if that is the decision taken, following the consultation—we will be in a much better position to talk about the future plans for the midland main line and, indeed, for the east coast and west coast main lines.

Point of Order

5.25 pm

John McDonnell (Hayes and Harlington) (Lab): On a point of order, Mr Deputy Speaker. Some months ago, the Foreign Secretary announced a cut to the funding of the BBC's World Service and devolved the budget to the BBC itself. The first wave of cuts to the World Service's services has now been announced and they apply to Africa, Latin America and eastern Europe. Those cuts have consequences not just for job losses but for the role of the World Service in purveying independent information in those world regions.

I would have expected—and I think the House would have expected—a statement from the Foreign Secretary, to inform us about this wave of cuts, so that we could debate them. At the very least, we should have had a written statement, but no statement of any kind has been provided for Members. May I, through you, Mr Deputy Speaker, express the House's concern that a Minister has not kept Members informed of these important decisions and say that, in future, Members should be afforded at least a written ministerial statement, even if not an oral one in which we could question a Minister?

Mr Deputy Speaker (Mr Nigel Evans): I have been given no indication of any statement today on the World Service. Although this is not a matter for the Chair, I am sure that those on the Treasury Bench will have heard the hon. Gentleman's remarks on the World Service.

Resource Extraction (Transparency and Reporting)

Motion for leave to bring in a Bill (Standing Order No. 23)

5.26 pm

Anas Sarwar (Glasgow Central) (Lab): I beg to move,

That leave be given to bring in a Bill to require certain companies engaged in oil or gas extraction, and other mining activities, to disclose the type and total amount of payments made to any national government, or any company wholly or partly owned by a national government; and for connected purposes.

This Bill is designed to make it a legally binding requirement for companies involved in natural resource extraction that are listed on the London stock exchange to provide in their annual report details of the payments they have made to national Governments on a project-by-project and country-by-country basis.

I am a passionate believer in international development because I deeply believe in the principles of equality and social justice, both at home and abroad. That is why, on entering the House, I immediately put myself forward for election to the International Development Committee.

I hope you will indulge me for a moment, Mr Deputy Speaker, if I ask you to picture a country filled with vast areas of natural beauty and heritage—a country in which there is an abundance of natural resources. You will be surprised at my next request when I ask you to picture that very same country as being home to some of the most impoverished and poorest people in the world. Sadly, there are many countries around the world where this is precisely the case—countries that have significant natural resource wealth in terms of oil, gas and precious metal reserves but for which this natural wealth has not translated into the economic prosperity that it should have.

Right hon. and hon. Members may have heard this situation described as "the resource curse". In the absence of strong democratic institutions and strong governance, the people of these countries are unable to hold corrupt officials to account, as those officials siphon off public money for their own benefit instead of using it for the public good.

The figures from Equatorial Guinea display just one example. Equatorial Guinea had the 12th highest gross domestic product in the world in 2008, with more than $30,000 per capita. However, it also ranked 121st out of 177 countries on the United Nations human development index. Africa as a whole exported over £400 billion-worth of oil and minerals in 2008—nearly nine times the value of international aid to the continent, yet millions still struggle to survive.

One major problem is a lack of transparency. As Paul Collier, the director of Oxford university's centre for the study of African economics points out, the sale of natural resource extraction rights in the developing world has so far

"been spectacularly deficient in respect of transparency".

In recent years, the UK has been a leader in the promotion of corporate transparency. My right hon. Friend the Member for Kirkcaldy and Cowdenbeath (Mr Brown) put tax transparency on the agenda for the G20 in 2009. The international extractive industries transparency

[Anas Sarwar]

initiative, EITI, launched by the former Member for Sedgefield when he was Prime Minister, has also played a fantastic role in improving voluntary transparency in the extractive industries.

This time, however, America is blazing the trail for improvements in tax transparency. The bipartisan Cardin-Lugar amendment to the Dodd-Frank Bill, passed in the United States last year, has given the voluntary rules of the EITI the force of law in the US. Backing that amendment, President Obama said:

> "We know that countries are more likely to prosper when governments are accountable to their people...That's why we now require oil, gas and mining companies that raise capital in the United States to disclose all payments they make to foreign governments".

It represents a long-awaited regulatory change, championed globally by a 600-strong group of non-governmental organisations and charities known as Publish What You Pay, and could ultimately improve the lives of millions of people in developing countries that are consistently resource-rich but cash-poor.

In effect, the Bill would replicate the measures in the Cardin-Lugar amendment for UK listed extractive companies, supporting the move towards a global standard on the issue and a first step towards full tax justice for developing countries. The changes would enable civil society and NGOs to hold Governments to account. Albert Oduman, Uganda's shadow Minister for Finance, in a recent video interview for the ONE campaign, expressed incredibly powerfully his support and appreciation for the new global transparency efforts, which will empower him with the information to challenge corruption in his own country.

In one of my first speeches in the House, I emphasised the importance of aid in the developing world. At the same time, however, I stressed the need to promote stronger governance through an accountable state-citizen relationship. The Bill seeks to do precisely that, and the potential benefits are huge. Transparent, effective tax systems and the reduction of corruption could allow money otherwise lost to be spent on schools, doctors, clean water and infrastructure—exactly the kind of projects on which British aid money is spent now. Improving access to their own wealth could lead many developing countries out of poverty, away from aid dependency, and into self-sufficiency and sustainable growth—the ultimate development goal.

With more than 80 extractive companies listed on the London stock exchange, representing more than £1 trillion of capital, the UK has a responsibility to take action on the issue, for the benefit not only of the developing world but of UK business. Many of the British companies that would be caught by a UK rule are already listed on the New York stock exchange, and therefore will already be providing the information in the near future. Bringing the London stock exchange in line with the New York stock exchange would level the playing field for those organisations already reporting, by requiring the remaining companies in the UK extractive sector to do exactly the same.

Transparent disclosure of payments will also help responsible companies reduce the reputational risk in operating in unstable nations and states where false accusations of supporting corruption are only too easily made. Transparency would also help UK investors to value companies and evaluate regulatory, taxation and geopolitical risks, while enhancing company accountability and governance. The improved stability that we hope would develop in resource-rich nations would also provide a better environment for investment, both for British business ventures and UK-sponsored aid projects.

Although I have been working on the Bill for several months, its introduction could not have come at a much better time. During the recess, we had the welcome news that the Chancellor and the Business Secretary are backing President Sarkozy's plans for Europe-wide rules on the issue. I believe that EU legislation is crucial if the global drive for increased transparency in the extractive industries is to be truly successful. That is why I anxiously await a statement in the House from the Chancellor, clarifying what active steps the Government will take to ensure swift progress at EU level.

However, potential EU regulation should not be seen as a reason for us to withhold from legislating independently. Natural resources are finite, and obtaining EU approval and implementation of such rules could take a considerable time. The amount of money disappearing every day could translate into lifting millions of people out of poverty in developing countries. Independent action by the UK would not jeopardise EU progress, but would strengthen the campaign by setting an important example. It would represent a big contribution to international development at little or no cost, while at the same time promoting the kind of corporate social responsibility of which we can all be proud.

I am delighted to say that the Bill enjoys strong support from all three main political parties. As with many development issues, it can be said genuinely to transcend party politics. I thank all the Members who have shown their support by being present today, and I especially thank those who have agreed to sponsor the Bill.

This Bill has the support of non-governmental organisations, independent economists, and leaders of the developing world and developing countries. It has cross-party support in the House, and above all it has the support of the British people. In the last 10 days alone, nearly 9,000 people have signed a ONE campaign petition on the issue with which it deals. The *Financial Times* has said that the United States has shone a light into an area that is widely considered to be shrouded in mystery, and has applauded the brave leadership that it has demonstrated on the issue. It is now up to us to show similar leadership here in Europe.

International development is not just about cash and "percentage of GDP" commitments; it is also about leading by example and setting global standards. The developing world does not have time to wait for Europe to catch up. A genuinely sustainable and cost-effective approach to international development demands that the UK Government act now.

Question put and agreed to.

Ordered,

That Anas Sarwar, Tony Baldry, Fiona Bruce, Malcolm Bruce, Richard Burden, Mr Tom Clarke, Mr Tobias Ellwood, John Glen, Eric Joyce, Jeremy Lefroy, Catherine McKinnell and John Thurso present the Bill.

Anas Sarwar accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 17 June, and to be printed (Bill 156).

Protection of Freedoms Bill

5.37 pm

The Secretary of State for the Home Department (Mrs Theresa May): I beg to move, That the Bill be now read a Second time.

Today we have a rare opportunity. The Bill gives us a chance to roll back the creeping intrusion of the state into our everyday lives, and to return individual freedoms to the heart of our legislation. Under the last Government, we saw a steady erosion of traditional British liberties and a slow march towards authoritarian government. They presented us with a false choice between our future security and our historic liberties, disregarding any notion of balance between the two.

The House rejected that choice on many noble occasions, notably when an extraordinary attempt was made to increase the period of pre-charge detention of terrorist suspects to 90 days. On other occasions, illiberal laws were passed, and on yet others, well-intentioned schemes were left open to abuse. The Bill gives us an opportunity to redress the balance and to right some of those wrongs, although it is not the only such opportunity. We have already repealed some measures, and we will repeal others.

Mr William Cash (Stone) (Con): Will my right hon. Friend be kind enough to give way?

Mrs May: I will happily—I will give way to my hon. Friend.

Mr Cash: I note that my right hon. Friend did not actually say that she would be happy to do so.

Does my right hon. Friend accept that however good the intentions may be, one of the great problems with the Bill is that it serially adopts, endorses and puts into British legislation European Court rulings, and that that in itself runs counter to the sentiments expressed only a few weeks ago when the House voted against a ruling by the European Court of Human Rights by 222 votes to 15?

Mrs May: My hon. Friend is right, I am afraid; but I almost said I was happy to give way to him. I am not going to rehearse all the arguments we have had on the issue he raises. I am well aware of the vote in the House on the Backbench Business Committee motion on prisoner votes, and the Government have made it absolutely clear that we are not happy about having to give prisoners votes and we will be looking to do so in the most minimal way possible.

The first issue the Bill addresses is DNA. The police national DNA database, established in 1995, has led to a great many criminals being convicted who otherwise would not have been caught, and I am sure all sensible people support it, but in a democracy there must be limits to any such form of police power, and we simply do not accept that innocent people's DNA should be kept for ever on a database, as the last Government seemed to think was appropriate. Storing indefinitely the DNA and fingerprints of more than 1 million innocent people undermines public trust in policing and goes against any sense of natural justice, so we will be taking innocent people off the DNA database and putting guilty people on.

The Bill introduces a new regime, whereby retention periods depend on a number of different factors, including the age of the individual concerned, the seriousness of the offence or alleged offence, whether they have been convicted, and, for under-18s, whether it is a first conviction. So in future, as now, an adult who is convicted or cautioned will have their fingerprints and DNA profile retained indefinitely, and we will take steps to plug the inexcusable gaps in the DNA database where the profiles of those who have previously been convicted of a serious offence are not currently included on the database.

David T. C. Davies (Monmouth) (Con): Although I recognise the Home Secretary's concerns about privacy, does she accept that these moves will inevitably mean—this should be stated—that some people who have committed crimes will not be caught and convicted?

Mrs May: No I do not agree, and my hon. Friend will see that that will not be the case if he looks at the many provisions in the Bill setting out the circumstances in which people's DNA can be retained. I come back to the fundamental issue, which is whether we think it is right for the DNA profile of innocent people to be retained on the database. Before and since the election, both the Conservative and Liberal Democrat parties have consistently taken the view that it is not right for the DNA of innocent people to be retained on the database, but that it is right for guilty people's DNA to be retained. The last Labour Government did not do that.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): Will the Home Secretary confirm that under her proposals the DNA of innocent people will be kept on the database? She is not removing from the database the DNA of everyone who has not been convicted.

Mrs May: Indeed, the police will be able to apply for the DNA of some people who are arrested but not charged to be retained. I would expect that application to be made in certain circumstances, such as when the victim has been vulnerable, which may mean there is very good evidence that the individual concerned has committed a crime but the victim is not able or not willing to come forward and see that case through.

I also say this to the right hon. Lady: the last Government wanted the DNA of all innocent people to be retained on the database indefinitely. We do not think that is a proportionate response, and what we are introducing today is a proportionate response. We would expect the DNA of the majority of the 1 million innocent people on the database would now to be removed from it.

An adult who is charged with, but not convicted of, a serious offence will have their fingerprints and DNA profile retained for three years, with the option of a single extension for two years with the approval of a district judge in the magistrates court, and an adult who is arrested for a minor offence but not convicted will have their fingerprints and DNA profile destroyed as soon as possible once a decision has been taken not to charge them or once they have been found not guilty by the courts. Different arrangements will apply for under-18s who

[Mrs May]

are convicted of a first minor offence, and there will be special provisions for DNA and fingerprints to be retained for national security purposes. If the police believe there are sufficient public protection grounds to justify the retention of material following an arrest for a qualifying offence that does not lead to a charge, the Bill allows them to apply to the new commissioner for the retention and use of biometric material, who will decide whether retention of the DNA profile and fingerprints of the arrested person is justified.

We must protect the most vulnerable in society, so when the victim of the alleged offence is under 18, vulnerable or in a close personal relationship with the arrested person the expectation is that the police will apply to the commissioner for retention. I believe that these rules give the police the tools they need without putting the DNA of a large number of innocent people on the database. In all cases, the DNA profile and fingerprints of any person arrested for a recordable offence will be subjected to a speculative search against the national databases. That means that those who have committed crimes in the past and have left their DNA or fingerprints at the scene will not escape justice.

The Bill also fulfils our coalition agreement commitment to outlaw the fingerprinting of children at school without parental permission. I must say that I found it amazing that any school ever thought it appropriate to fingerprint schoolchildren without their parents' permission. The Bill will contain a double lock, whereby a school or college must obtain the consent of the parents and the child before processing their biometric data. If either opts out, the school or college must ensure that reasonable arrangements are in place to enable the child to access the full range of school services.

I shall deal now with surveillance. As with DNA, it is clear that CCTV can act as a deterrent to criminals, can help to convict the guilty and is warmly welcomed by many communities. This Government wholeheartedly support the use of CCTV and DNA to fight crime.

Mr Tobias Ellwood (Bournemouth East) (Con): On this sensitive issue of surveillance, does my right hon. Friend agree that it is being abused by local authorities which have taken it upon themselves to film such things as dog fouling and littering? Were the measures not introduced to deal with far graver issues?

Mrs May: I thank my hon. Friend for his intervention. I will be referring specifically to the abuse of powers by local authorities, so if he could be a little patient, I will deal with that point. On the specific issue of CCTV, it is not right that surveillance cameras are being used without a proper regulatory framework. That is why the Bill will place a duty on the Secretary of State to prepare and publish a code of practice, which will contain guidance on surveillance camera systems. I have today launched the consultation on what that code of practice should contain. Local authorities and chief officers of police will be required to have regard to the code and, over time, we will consider extending this duty to other operators of CCTV and automatic number plate recognition systems. The Bill will also allow for the appointment of a surveillance camera commissioner responsible for encouraging compliance with the code of practice, reviewing its operation and providing advice on it, including on any changes that might be necessary. This sensible and measured approach will help to ensure that CCTV is used proportionately and best serves the purpose for which it was designed: tackling crime.

My hon. Friend the Member for Bournemouth East (Mr Ellwood) mentioned local authorities. I think that the public have been disturbed by the many stories of councils using intrusive techniques, under the Regulation of Investigatory Powers Act 2000, to deal with trivial offences. Breaching school catchment area rules and dog fouling are not offences that warrant being subject to surveillance. These tactics are more appropriately used for tackling serious crime and terrorism, and it was irresponsible of the Labour Government not to put in place stronger safeguards for their use. That is why the coalition agreement contained a commitment to ban the use of these powers by councils unless they are signed off by a magistrate and are required to stop serious crime. The Bill enacts that commitment because it will require local authorities' use of the powers to be subject to approval by a magistrate. In parallel with the passage of this Bill, an order will be made to introduce a seriousness threshold for the use of the most controversial power: directed surveillance. Local authorities will be authorised to use directed surveillance only for offences that carry a maximum custodial sentence of at least six months. Subject to limited exemptions relating to the under-age sale of alcohol and tobacco, this measure will restrict local authorities' use of surveillance to serious cases.

As we restrict state powers of surveillance to serious offences, we should also ensure that state powers of entry into people's homes or business premises are reasonable and proportionate. There has been a huge increase in the number of powers of entry in recent years, and there are now some 1,200 separate powers of entry. That means there are 1,200 reasons why state agencies or other bodies can invade people's privacy. We need to protect the privacy of home owners, so we will remove unjustified powers and ensure that the remainder are subject to appropriate safeguards.

Mr John Redwood (Wokingham) (Con): This is all wonderful news and I am a strong supporter of the Bill. Given that there are 1,200 such powers, will my right hon. Friend make sure that her Cabinet colleagues are assiduous in rooting out dozens or hundreds of them, not just a handful, so that we make a real impact on this disgrace?

Mrs May: I am grateful to my right hon. Friend for his intervention and I absolutely agree with him. We will provide three order-making powers in the Bill to allow the repeal of unnecessary powers of entry, the addition of safeguards and the rewriting of powers of entry with a view to consolidating a number of powers in a similar area coupled with the inclusion of extra safeguards. Within two years of Royal Assent, the Government will be required to carry out a review of all existing powers of entry and to report the findings to Parliament. Provision will also be made for a code of practice for powers of entry, adding further protections for home owners.

Mr Cash: Will my right hon. Friend note that the Library research paper on the Bill indicates that a third of all powers of entry are based on EU requirements?

Will she explain why and how she is going to repeal the provisions that are entrenched in our legislation through the European Communities Act 1972? What formula will she use—will it be the "notwithstanding" formula?

Mrs May: When I gave way to my hon. Friend, I almost said I had a deep suspicion that I knew what he was going to say, and I was absolutely right. Of course we will not be able to get rid of all powers of entry, nor would that be appropriate. It will be appropriate to keep some, and with others we will need to look at the implementation of a request or desire to gain entry in relation to what is at stake, what is the most appropriate use of power and how that power should be used. The process will take some time, but it is essential that the Government are committed to reducing the number of powers of entry, whereas the previous Government oversaw a significant increase in that number.

Steve Baker (Wycombe) (Con): Will my right hon. Friend reassure the House that at the end of this process the number of powers will be sufficiently small and simple that home owners will be able to determine for themselves whether someone who knocks on the door has a right to enter?

Mrs May: That would certainly be our aim and we will try to ensure that home owners are well aware of exactly who has a right of entry to their property.

Robert Flello (Stoke-on-Trent South) (Lab): Has the Home Secretary had discussions with Ministers and the Justice Secretary about the overlap with issues relating to bailiffs and credit enforcement agencies and their rights of entry?

Mrs May: I have been in touch with colleagues across Departments about powers of entry, because they are found in all sorts of places. All Departments will be required to review powers of entry, and duplication is exactly the sort of issue we will be looking at.

We know that powers of entry are of great concern to the public, and another issue of great concern is wheel-clamping. The Bill will protect motorists from cowboy clampers, making it a criminal offence to immobilise, move or restrict the movement of a vehicle without lawful authority. For too long, motorists have fallen victim to extortion and abuse from rogue clamping companies. We have heard stories of drivers being frogmarched to cash points late at night or left stranded by rogue operators who have towed their vehicle away. Clearly that is unacceptable.

Gavin Shuker (Luton South) (Lab/Co-op): There will be support from across the House for measures to restrict the efforts of cowboy clampers, but what would the Home Secretary say to my constituent Mary Harrison, who has concerns about her residential area being overrun with cars because the existing structures to enforce parking restrictions are not sufficient?

Mrs May: Other powers will be available to control parking, such as barriers and ticketing. I suggest that the hon. Gentleman point out to his constituent the experience in Scotland, where such clamping was banned in 1992, I think. No problems have arisen from that change, so that is a good example for him to consider.

Mr Tom Watson (West Bromwich East) (Lab): I just want to say that this part of the Bill is fantastic and that the Home Secretary has my full support for it. [HON. MEMBERS: "Where's the barb?"] There is none—I just want to be nice. The thousands of people who signed my cowboy clampers petition will thank her for finally listening to the people of West Bromwich.

Mrs May: I am very grateful to the hon. Gentleman for those remarks. It is good to have cross-party support on such issues as this one, which affects many MPs whose constituents have suffered from cowboy clampers. By criminalising clamping and towing without lawful authority, the Government are committing rogue clampers to history and putting an end to intimidation and excessive charges once and for all.

Gavin Barwell (Croydon Central) (Con): Further to my right hon. Friend's answer to the hon. Member for Luton South (Gavin Shuker), will she confirm that local authorities will continue to have the power to clamp on the public highway? Will residents in private developments be able to contract with their local authority to clamp on private developments? I have been contacted by a large number of people in my constituency who have tried ticketing and barriers but found that they do not work close to the town centre and public transport hubs. Could local authorities continue to clamp on private land?

Mrs May: I am grateful to my hon. Friend for raising that point. Local authorities already have the ability to take a controlling interest and to run parking on private land, subject to the agreement and request of the landowner, although that facility has not been much used.

To ensure continued access to key buildings, existing powers for the police to remove vehicles that are illegally, dangerously or obstructively parked on roads will be extended to other land. The registered keeper of a vehicle will also be made liable, in certain circumstances, for charges incurred as a result of parking on private land.

Let me address the counter-terrorism measures in the Bill, starting with pre-charge detention. Both coalition parties and many Opposition Members are clear that in the area of counter-terrorism legislation the previous Government went too far. I have already announced to the House the outcome of our review of counter-terrorism and security powers, and the Bill puts many of those changes into practice. I announced that we would not renew current legislation on the 28-day pre-charge detention period, which means that the sunset clause inserted by the previous Government has now brought the maximum period of pre-charge detention down to 14 days. The Bill will finally repeal the power to increase the maximum period of pre-charge detention to 28 days by means of secondary legislation. As I said to the House in January, police, prosecutors and the Government are clear that the normal maximum period of pre-charge detention should be 14 days, but we recognise that in exceptional circumstances that might need to be temporarily increased to 28 days. I have therefore published draft legislation that could be introduced to Parliament only in such circumstances. The draft Detention of Terrorist Suspects (Temporary Extension) Bills will be subject to pre-legislative scrutiny, the arrangements for which will be discussed through the usual channels.

Mr David Hanson (Delyn) (Lab): This has been asked before, but what will happen during parliamentary recesses? What if the right hon. Lady was seeking that extension on 30 July when Parliament was in recess? Will she expect to recall Parliament?

Mrs May: I will not expect to recall Parliament every time a recess is called. We are talking about exceptional circumstances and I hope that Members will recognise that in exceptional circumstances it might be necessary to recall Parliament to put these powers in place.

Mr Jack Straw (Blackburn) (Lab): My question follows that of my right hon. Friend the Member for Delyn (Mr Hanson). I had to propose a recall of Parliament, to which the Prime Minister and the Speaker agreed, to introduce emergency legislation following the Omagh bombing. The bombing took place on 15 August 1998, but with the very best will in the world we were not able to get a recall for almost three weeks, so Parliament was not recalled until 3 September, as the right hon. Lady might remember. That was a three-week period. If the prosecutors have a suspect whom they wish to continue to question, how in practice will the Home Secretary be able to shorten that time? The right hon. Lady shakes her head. I promise her that we were seeking the shortest possible time, and it is very complicated. How far has she thought about that?

Mrs May: I understand the point that the right hon. Gentleman is making about his experience in relation to the Omagh bombing. I believe that it is possible to shorten that period to ensure that we can recall Parliament in such exceptional circumstances if that is needed. It would be wrong for hon. Members to expect that the only circumstances in which that would be required would be towards the end of a 14-day period of pre-charge detention. The period that would be available for the recall and for the new measures to be put through might be a little longer than the right hon. Gentleman is considering.

I want to move on to stop and search, which is the other aspect of counter-terrorism legislation that we will deal with in the Bill. As well as scaling back the excessive counter-terrorism legislation of the past, we need to stop the misuse of these laws. The extensive and disproportionate use of stop-and-search powers under section 44 of the Terrorism Act 2000 is one example of that misuse. It has eroded public trust and dented public confidence. But the evidence, particularly in Northern Ireland, has demonstrated that when there is a credible threat of an imminent terrorist attack, the absence of such powers might create a gap in the ability of the police to protect the public.

The Bill therefore repeals section 44 and replaces it with a tightly defined power which would allow a senior police officer to make a targeted authorisation of much more limited scope and duration for no-suspicion stop-and-search powers. These would be authorised to prevent a terrorist attack only when there is a specific threat. The new power to search a person or vehicle would be subject to a number of additional safeguards, including a requirement that a senior police officer should reasonably suspect that an act of terrorism would take place and that the use of these powers was necessary to prevent the act of terrorism. The duration of any authorisation must now be no longer and no greater than is necessary to prevent the act of terrorism.

The purposes for which an officer may search a person or vehicle will be limited to looking for evidence that the individual is a terrorist or that a vehicle is being used for the purposes of terrorism. The Secretary of State would have the option of amending the authorisation, rather than only accepting or refusing it, as previously. Finally, the Secretary of State will be required to prepare a code of practice containing guidance on the use of the powers. These changes will provide the police with the powers that they need to deal with terrorist threats, while also ensuring that the public are not needlessly stopped and searched. The measures will also prevent the misuse of stop-and-search powers against photographers, which I know was a significant concern with the previous regime.

As recommended by the counter-terrorism powers review, I have considered whether the police need these revised powers more quickly than the Bill would allow. Given the current threat environment, I have concluded that they do. The most appropriate way of meeting the legal and operational requirements is to make an urgent remedial order under section 10 of the Human Rights Act 1998 to make immediate changes to the legislation. I will be doing this shortly. This is only an interim solution. The proposed new powers will remain in the Bill to ensure full scrutiny of the provisions.

Another important area where we will roll back the state's power to common-sense levels is in the vetting and barring and criminal records regimes. The previous Government created the vetting and barring scheme with reasonable intentions, but, as with much that they did, their implementation was disproportionate and over-reliant on the state. There is no doubt that a small minority pose a risk to vulnerable people, including children, but requiring more than 9 million people to register and be monitored is not an appropriate response. We should be encouraging volunteers, not treating them like criminals.

The Bill will therefore introduce a new regime, whereby employers will be given a much more central role in ensuring safe recruitment practices, supported by a proportionate central barring scheme. We will retain the sensible features of the vetting and barring scheme, but will not require registration or monitoring, which means that there will no longer be an intrusive state-run database containing the details of 9.3 million people. The scheme will cover only those who have regular or close contact with vulnerable groups. This will create a more convenient and proportionate system for both employers and voluntary organisations and the people seeking to work or volunteer with children or vulnerable adults.

On the criminal records regime specifically, the Bill will enable criminal records disclosures to become portable, through a system which allows for continuous updating. This would enable an employer to establish whether new information had been recorded since the certificate was issued. It will also remove the provision requiring a copy of a certificate to be sent directly to an employer. This will allow an applicant legitimately to dispute the information released on the certificate, without this information already having been seen by the employer.

To administer the new scheme, the Criminal Records Bureau and the Independent Safeguarding Authority will be merged into a single, new organisation. These changes will ensure the continued protection of vulnerable people and children, while at the same time allowing those who want to volunteer to do so without fear or suspicion. It will end the unnecessary state scrutiny of law-abiding people.

As well as dealing with recent illiberal laws, today's Bill rights historic wrongs. Consensual sex between men over the age of consent was decriminalised in 1967, yet more than 40 years on, gay men can still be penalised and discriminated against because of convictions for conduct which is now perfectly lawful. It is right that we should change the law and wipe the slate clean. The Bill establishes a scheme whereby an individual with a conviction that would today not be considered an offence would be able to apply to the Home Office to have the conviction and caution disregarded. If an application were approved, details of the conviction or caution would be removed from police records and the individual would be able legally to conceal their previous conviction in any circumstances. It would also no longer appear on a criminal record disclosure.

Greater transparency is at the heart of our commitment to open up government to greater scrutiny and to allow public authorities to be held to account, so the Bill makes a number of changes to the Freedom of Information Act to extend its provisions. We will consult the House authorities on these provisions before the Committee stage to ensure that parliamentary copyright is properly safeguarded. The Bill also makes changes to the Freedom of Information Act and to the Data Protection Act to enhance the independence of the Information Commissioner.

Mr David Blunkett (Sheffield, Brightside and Hillsborough) (Lab): The Home Secretary will be surprised to hear that I agree with quite a lot of the Bill, but on data protection, will she consider a constituent of mine who is extremely worried about the amount of information being collected about him and retained? For privacy reasons, I will not give his name, but let us call him Mr N Clegg. He is worried that in the next four weeks information will be gathered from him which he does not wish to give and which he does not wish the Government to retain. It is called the census. What advice would the right hon. Lady give to my constituent in such circumstances?

Mrs May: I was waiting for the dénouement of the right hon. Gentleman's question. There is a requirement for people to fill in the census. It is an extremely useful tool for Government. Previous Governments wanted a census because it informs Government in the production of policy. What I would say to the right hon. Gentleman's constituent is that the census can provide useful information better to inform Government to produce better policy.

David T. C. Davies *rose—*

Mrs May: I will give way for the last time.

David T. C. Davies: I am grateful to the Home Secretary. I was waiting for her to be specific about surveillance cameras. I understand that it will be much harder for the police and local authorities to use them. Will newspaper editors be subject to the same restrictions?

Mrs May: I always wait with interest and occasionally trepidation for the points that my hon. Friend makes. *[Interruption]* I could make a response to the sedentary comment by the hon. Member for Eltham (Clive Efford), but it would probably be better not to do so in the context of the Chamber of the House.

On the point made by my hon. Friend the Member for Monmouth (David T. C. Davies), the Bill contains a great number of significant measures that will be to the benefit of the people of this country and will ensure that surveillance cameras are used for the proper purposes for which they were introduced.

Mr Watson *rose—*

Mrs May: I am being incredibly generous. I had said that I was giving way for the last time, but I will give way to the hon. Gentleman.

Mr Watson: The Home Secretary is indeed being incredibly generous. What will be her approach in Committee to the Information Commissioner's powers? The relevant clause seems rather weak. Part of it mentions hearings for the appointment, but it does not really free the commissioner from a Department. The commissioner is currently under the yoke of the Ministry of Justice, but previous Select Committees have recommended that the commissioner be answerable to Parliament, not a Department. Will she take a generous approach in Committee to helpful amendments on those provisions?

Mrs May: The hon. Gentleman's previous intervention was extremely helpful in supporting parts of the Bill. Members might wish to discuss that issue in Committee. It has been suggested that the Information Commissioner should be responsible to Parliament. The role goes rather wider than Parliament, however, which is why it has been placed where it has. We intend to increase the commissioner's independence, so I am sure that the issue will be debated and discussed in Committee.

Finally, the Bill protects one of the most historic freedoms and liberties enjoyed by the British people: the right to trial by jury. The Bill repeals section 43 of the Criminal Justice Act 2003, which allows the prosecution to apply for a serious or complex fraud trial to proceed in the absence of a jury. We sacrifice the cornerstones of our justice system at our peril.

I have told the House today that the Bill contains a number of provisions that put into effect commitments contained in the coalition agreement, but that does not mean that it should fail to gain support from across the House. Indeed, a number of positive statements have been made by hon. and right hon. Opposition Members.

Any Government and any Parliament must seek to protect not only the security of the British public but the freedoms that we hold dear. The Bill achieves those aims. All those who believe in liberty and the rights of the individual should support the Bill, and I commend it to the House.

6.12 pm

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): I suggest to the Home Secretary that some of the rhetoric in her speech was perhaps unwise. She is probably still thinking too much like an Opposition politician three months before an election, and not enough like a Home Secretary less than a year into a Parliament who will have to live with the consequences of her decisions and the laws that she changes.

[Yvette Cooper]

There are difficult balances to be struck between protecting people's freedoms from police or Government interference and protecting their freedom not to become victims of interference or violence by criminals and terrorists. Those balances should be guided by the evidence, not by the political rhetoric that she has used today about the march to authoritarianism or the ending of British liberties. Although some of the measures that she is introducing are perfectly sensible—we will support many of the sensible measures and arrangements—they are not, as the Deputy Prime Minister has tried to claim, a fundamental rolling back of the powers of the state. There are other areas where we think she has got the balance wrong.

Tom Brake (Carshalton and Wallington) (LD): Will the right hon. Lady tell Members what evidence there was for 90-day pre-charge detention?

Yvette Cooper: As I have said before, I do not think that it was right to go for 90-day detention and it was not justified by the evidence. There will always be areas where Governments need to be cautious in getting the balance right. Equally, however, they must be cautious not to over-hype the rhetoric and inappropriately claim that problems will somehow be easily solved. There is always a difficult balance to be struck.

I hope that the right hon. Lady, in her tenure as Home Secretary, will not have to deal with some of the extremely difficult and dangerous terrorist incidents that her Labour predecessors had to cope with, such as the Omagh bombing, to which my right hon. Friend the Member for Blackburn (Mr Straw) referred, and the London 7/7 bombings, that led to many of the stronger counter-terrorism measures that her predecessors introduced. I also hope that she will rarely have to deal with some of the deeply disturbing and serious crimes, such as the Soham case, which led to the new procedures on vetting and barring.

The Home Secretary will know that when in the Home Office one can never predict what is coming around the corner, what problems might be uncovered or how one might need to respond in order to protect people's freedom not to become victims of crime or terrorist threats. In those circumstances, it is wise to build consensus, rather than engaging in the kind of over-simplified political rhetoric that will make it more difficult to strike the right balance in future.

Michael Ellis (Northampton North) (Con): Does the shadow Home Secretary think it right that the details of 1 million innocent people should be on the DNA database, which is exactly what the 2009 report stated? Can that possibly be right?

Yvette Cooper *rose—*

Michael Ellis: Is that not a damning indictment of Labour's record on civil liberties?

Mr Speaker: Order. May I say from an advisory point of view that Members normally make one intervention at a time? They cannot suddenly pop up again when they remember a point that momentarily eluded them.

Yvette Cooper: I will discuss the DNA database later. It is important to have safeguards, but it is equally important to ensure that proper processes are in place to protect people against crime.

Mr Blunkett: I want to reassure my right hon. Friend that my DNA is on the database, and I have never been arrested or convicted of anything. I was proud to do that because I thought that it was an example that would encourage people not to see the database as something that should be feared, but as a safeguard and a real asset to policing and security.

Yvette Cooper: My right hon. Friend makes an interesting point. In many cases, the DNA database is also a way of protecting the innocent by ensuring that they are not wrongfully convicted of crimes. DNA evidence will ensure that the person who is guilty of the crime is convicted.

Let me cover some of the areas of the Bill where we agree with the Government. We agree wholeheartedly with removing old convictions for gay sex, which is now legal. We think that it is right to remove them, just as we thought that it was right to abolish section 28 and introduce civil partnerships. We also agree that we should remove the restrictions on when people can get married or become civil partners. If people want to get married at 2 o'clock in the morning and can find someone nocturnal enough to conduct the ceremony, Parliament should not prevent them from doing so.

We support sensible extensions to the Freedom of Information Act 2000. As the party that introduced that Act, we believe that it is a vital way of ensuring proper transparency and accountability. In passing, I would appreciate it if the Home Secretary would have a word with the Chancellor and ask him to stop blocking my freedom of information requests on the impact of his changes on women.

We agree that action was needed against rogue car clampers. In fact, the Opposition Chief Whip, my right hon. Friend the Member for Doncaster Central (Ms Winterton), has run some fantastic campaigns against wheel-clamping bullies. Some action had been taken to legislate for new licensing measures, but we are ready to support alternatives that work and will discuss those in Committee.

We also agree with tighter restrictions on stop-and-search powers, which were being used more widely than originally intended under the legislation. The Home Secretary will be aware that her predecessor, my right hon. Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson), had already taken some action in that area and that the provisional data had shown a significant drop in stop-and-search cases in 2009-10, but we are ready to support sensible changes that bring the legislation more closely in line with the original intention. As I have said to the Home Secretary before, I am still worried about the implications in Northern Ireland. I hope that she will be able to reassure me, and the shadow Secretary of State for Northern Ireland, about the measures that she is taking in those areas.

For all those reasons, we will not oppose the Bill on Second Reading, although we have serious concerns about some elements and believe that significant amendments will be needed in Committee.

I also agree that in some cases the implementation of the Regulation of Investigatory Powers Act 2000 has gone beyond Parliament's original intention and that further safeguards are needed. Again, we will scrutinise the detail, as it is important that the new procedures are not so bureaucratic that they prevent councils from doing a sensible job. We believe that communities across the country will be concerned if they find that a new code of practice makes it harder to get the CCTV they have been campaigning for, because they know it is critical to preventing crime and antisocial behaviour in their areas.

There is a massive contradiction in the Government's approach to councils' powers and abilities. In the Bill before us, the Home Secretary wants to make it harder for councils to gather information or to use surveillance. Yet, in her other Home Office Bill, the Police Reform and Social Responsibility Bill, which is also going through the House at the moment, she wants to give local councils extra powers to seize people's property if byelaws are breached. So she does not want council officers watching people, but she does not seem to mind them taking people's property away.

The Police Reform and Social Responsibility Bill states that byelaws will be able to

> "include provision for or in connection with the seizure and retention of any property in connection with any contravention of the byelaw".

Local councils have byelaws on things such as dog fouling, mud falling on roads, music outside churches or, in the case of Westminster, giving out free refreshment, all of which could be covered by future byelaw seizure powers. The Bill before us contains an entire clause entitled "Protection of Property from Disproportionate Enforcement Action", but at the very same time disproportionate enforcement action is being actively encouraged in the other Bill. Imagine: a council cannot monitor the noise from a nuisance neighbour, but it can, if a child is playing a tune in the church square, seize the recorder; it cannot check if any dog fouling is taking place, but, if an officer happens to pass by at the critical moment, they can confiscate the dog.

So what on earth are the Government up to? We are used to chaos and confusion in this Government, but that is usually because the Deputy Prime Minister says one thing while the Home Secretary does another: he abolishes control orders; she renames them; he abolishes antisocial behaviour orders; she introduces criminal behaviour orders. We know that she does not agree with lots of what the Deputy Prime Minister says and does, but now it seems that she does not even agree with herself. Such chaos and confusion is absurd when it comes to council byelaws, but it is rather more worrying when it comes to counter-terrorism, because the process has been chaotic from beginning to end.

We can agree to support limiting pre-charge detention to 14 rather than 28 days, on the basis of the evidence from experts, but we also take very seriously the conclusion of the Home Secretary's own counter-terrorism review, which states that the Government must provide for the possibility of needing to hold someone for longer in exceptional circumstances.

The right hon. Lady's original plan was to allow the old limit of 28 days to lapse without even showing us the review or telling us the Government's plans. Then, the Immigration Minister told the House that the draft emergency legislation would be put directly in the Library. Then, the Home Secretary said that it would not and the order-making power to increase detention to 28 days would suffice. Then, we learned that the Government's own review stated that the order-making power would not be fast enough. Then, the Home Secretary said that she would consult the Opposition on the emergency legislation so that it could be agreed as soon as possible. We are still waiting on that one. The legislation has finally been published, but, while the draft Bill refers to three months, the explanatory notes refer to six months, and the Government's intention is still not clear.

Mr Ellwood: The right hon. Lady has rattled on a bit, but I wonder whether I can take her back to 90 days, because she did not really answer the question about the evidence on which that limit was based. I have taken a personal interest in the matter and in the issue of 14 and 28 days. When there is a case for more than 14 days but there are difficulties in recalling Parliament, officers can choose to put forward a lesser charge that can result in a conviction, thus allowing the person to be detained. The police say that that is easy to do, rather than having to go for the super-charge that would result in the major conviction. It is a simple solution to an easy problem.

Yvette Cooper: That might be possible in some cases, and officers might be able to use it, but there is an issue, because, although it is right to make 14 days the norm, it is also right to have the provision to move to 28 days if needed. Doing so through emergency legislation, as the Government propose, however, raises some significant difficulties.

My right hon. Friend the Member for Blackburn has raised the question of what happens if Parliament is not sitting, and whether it will be possible in those circumstances to move fast enough. The Home Secretary says, "Well, it'll be all right because we'll find out on day one whether we might need longer," but we might not. We might not find out until day 10 of an interrogation that, in fact, a longer period is required.

Let us suppose, for example, that the police have a serious case, including credible intelligence on an imminent terrorist attack or some extreme situation. After 10 days it becomes clear that they need more time before they can charge, but they are afraid of releasing the suspect because they might abscond abroad or even trigger the attack. What happens in those circumstances? The Home Secretary will come to Parliament and say, "We need emergency legislation," but neither she nor anyone else in the House will be able to discuss why we need it, for fear of prejudicing an investigation or a possible trial. Parliamentary scrutiny will be very difficult, so, given how difficult and risky it might prove, I urge her to look again at options such as special bail conditions, which could reduce the need for emergency legislation.

Mr David Winnick (Walsall North) (Lab): I have listened to my right hon. Friend's reservations, which I share: I am very much in favour of a reduction from 28 to 14 days; that goes without saying. Leaving aside whether the House is to be recalled, and assuming that it is sitting, what details will be given to us about those whom it is felt should be held for longer than 14 days? If we cannot have the relevant information because it will prejudice any proceedings that will take place if the person is charged, what are we supposed to do? Are we

[Mr David Winnick]

just supposed to nod our approval? If we are not, and the details are given out, it will be argued in any later court proceedings that the House has prejudiced the case.

Yvette Cooper: My hon. Friend makes a really important point that goes to the heart of the problem. The reason for emergency legislation through primary legislation to change those powers is, in theory, to give Parliament the chance to scrutinise, debate and decide whether the action is reasonable. In practice, however, it is very hard to see how Parliament will be able to discuss the detail at all without being at serious risk of prejudicing a potentially dangerous investigation and important case, which we would all want to see go properly through the courts, with the proper judicial process followed.

That is why I say to the Home Secretary that it seems sensible to explore whether there are alternatives, such as bail conditions and other procedures with a judicial process, that might be used in such extreme circumstances. We all hope that the circumstances do not arise, but those alternatives would reduce our need to use emergency legislation.

Mr Cash: Has it occurred to the right hon. Lady or, indeed, to those on the Government Front Bench that we have habeas corpus, and that in such conditions it is the first duty of any judge to give effect to that provision? It does not matter what statute says; habeas corpus comes first, unless it has been expressly excluded by statute.

Yvette Cooper: The hon. Gentleman has considerable legal expertise, and I shall not attempt to get into a detailed debate about that point, but the critical issue is the complicated interaction between not only the work of the police and the role of Parliament, but the necessary role of the judiciary, and the alternatives merit more thoughtful debate, so that we do not prejudice individual cases or put the House in a difficult position.

Mrs May: Given what the right hon. Lady says about our proposals for emergency legislation on 28 days, will she explain why the previous Government put on the stocks emergency legislation for 42 days?

Yvette Cooper: Legislation is not the right way to respond in such extreme circumstances. In the end, it might be the backstop that the right hon. Lady needs, but she should do more to avoid the situation arising. She is not even looking at what the appropriate special bail conditions might be, for example, or at other measures that could prevent her from ever needing to use emergency legislation in the middle of an extreme situation. She should look at the possible alternatives.

Part 5 makes significant changes to the vetting and barring regime, which works to protect children from abuse. As the Home Secretary knows, the Labour Government said that changes were needed to the system to ensure the right balance between protecting children and vulnerable adults without being unnecessarily burdensome. Indeed, Sir Roger Singleton recommended removing a series of unnecessary checks, and we welcome the recent technological developments that will enable portable Criminal Records Bureau checks and substantially simplify the system.

Some practical issues have been raised, and we will want to pursue those further in Committee.

We think that this is an important development. However, the Home Secretary's proposals go too far. She is creating a series of loopholes in child protection that parents will rightly be very worried about. The evidence from the NSPCC makes that clear. It says that her proposals leave

> "a disturbing gap in the planned legislation that could put children at harm."

Under these plans, it will be possible for people to spend long hours in positions of authority and in regular intensive contact with children without being covered by the barring arrangements because someone else is in a supervisory role. For example, voluntary teaching assistants may well not be covered. As the NSPCC points out,

> "supervised employees and volunteers are still able to develop and exploit relationships with children…A volunteer part time teaching assistant in a classroom of 30 children with only light touch supervision by the classroom teacher has plenty of opportunity to develop inappropriate relationships and groom children."

Mrs May: Perhaps I can help the right hon. Lady and the House. This afternoon, the Minister for Equalities, my hon. Friend the Member for Hornsey and Wood Green (Lynne Featherstone), who is responsible for criminal information matters, had a meeting with a number of children's charities, including the NSPCC, and was able to reassure them on that precise point. The employer will be able to get an enhanced CRB check for an individual who is volunteering in a capacity such as a teaching assistant, which will contain the same information that has been available in making the decision on the barring of that individual. The employer will therefore be able to make a decision based on exactly the same information as that on which the decision on barring was taken.

Yvette Cooper: If the Home Secretary is changing her policy, perhaps she will take the opportunity to intervene again to clarify this point. Will somebody in these circumstances—

Mrs May *rose*—

Yvette Cooper: Let me ask the question. Will somebody in these circumstances be able to find out whether the Independent Safeguarding Authority has made the judgment that somebody should be barred?

Mrs May: I am very happy to intervene again on the right hon. Lady, but may I just correct her on one thing? I have not changed the policy. The policy remains exactly as it was, and the Bill remains exactly as it was. A misinterpretation of what was in the Bill has led to the comments from the NSPCC, which, as I said, is one of the children's charities to which my hon. Friend the Minister has been speaking today. In the circumstances that the right hon. Lady outlines, the fact of the barring will not be available to the employer, but the information that led to the decision on the barring will be available to the employer. We take a slightly different position from that of the right hon. Lady and her party—that the employer must then take some responsibility for making a decision as to who it is appropriate to have potentially dealing with children in the classroom.

Yvette Cooper: This is really weird. It means that somebody—a teacher, for example—who has been working with children and has been barred for grooming a child, may then apply for a job, perhaps a voluntary post as a teaching assistant, and the school will not be told whether they are barred, but the Home Secretary thinks that that is okay because the school may be able to get some of the information that led to the barring in the first place if it is summarised on the CRB check. Why not give the school the information about the fact that someone has been previously barred?

The Home Office guidance says:

> "Some people who may previously have been barred…may be able to gain posts in other areas where they are able to work less closely with children or adults. It will be up to employers to weigh up the risks involved",

but let us think of the position in which that puts employers. They will not even know if they have got the full information; nor will they have the judgment of the experts at the safeguarding authority who have made a decision, based on their professional experience and expertise, that the person should be barred. The guidance also says that

> "employers will not be able to find out the barred status of people who are not working in regulated activity roles."

A lot of parents will find this puzzling and worrying. Why should they not be able to find out whether someone has previously been barred for working with children if they are going to be working with children again in a similar way?

Let us consider the other consequences. If a voluntary teaching assistant is caught grooming a child, then as long as they have never been a teacher, worked in regulated activity, or expressed a desire to do so in future, they will not even be added to the barred list. So two years later they can apply for teacher training and no one will know that they were kicked out of another school for deeply inappropriate behaviour. Future employers may be able to get a criminal records check but, as the NSPCC has made clear,

> "This is highly concerning as most people who pose a risk to children are not prosecuted, and thus future employers may not be alerted to the risks they pose."

I have to say to the Home Secretary that most parents will not just think that it is "highly concerning"—they will think, like me, that it is wrong.

Mr Watson: My right hon. Friend is right that this is a complex and puzzling piece of the Bill, and the devil will be in the detail when it comes before the Committee. I hope that the Home Secretary is in no doubt, though, that what is very clear is that if a child is harmed as a result of this deregulatory measure, she will carry the responsibility for it.

Yvette Cooper: The Home Secretary needs to think again about this matter and take responsibility for the changes that she is making. As parents, we want to be sure that someone who has a history of inappropriate behaviour towards children will not end up as a voluntary teaching assistant in our child's class. The Deputy Prime Minister has described the proposed new arrangements as common sense. I am afraid that the truth is that they look, at best, naive and confused, and at worst, extremely irresponsible. I urge the Home Secretary to change this proposal and not to put political rhetoric above the safety of children.

Mr Nigel Dodds (Belfast North) (DUP): Although there are many excellent things in the Bill that I welcome, the right hon. Lady is absolutely right on this point. When it comes to the protection of children and to giving confidence to parents, is it not right always to err on the side of caution?

Yvette Cooper: The right hon. Gentleman is right. This is a difficult area. People will raise concerns if they feel that there are inappropriate burdens in reporting arrangements, and of course it is right to try to reduce those and to prevent inappropriate checks or bureaucracy, but it is also right to put safeguards for our children at the heart of the measures that we set out, and not to do things that feel inappropriate given the potential risks, given the evidence, and given the security that parents want for their children.

Robert Flello: My right hon. Friend is talking about the incredibly important issue of safeguarding our children. Given what we have seen in the media over the past week about the risks to vulnerable adults, would she care to comment on the fact that, although those of us who are parents are deeply concerned about children, including other people's children, there are serious implications for vulnerable adults too?

Yvette Cooper: My hon. Friend is right. Some cases of very distressing abuse have taken place involving vulnerable adults, and it is important that they, too, should have protection against that. The key is to ensure that if one authority or organisation knows that somebody has a history of abuse, that person should not be allowed to work again in a position where they may put vulnerable adults or children at risk in a way that other authorities, or the families, were not aware of, and which might lead to harm.

I want finally to turn to DNA, which is another area where we believe that the Government are going too far. My right hon. Friend the Member for Kingston upon Hull West and Hessle had already legislated for safeguards on DNA use, including a six-year limit on retention for those who were not convicted. He based those safeguards on analysis of reoffending rates and the benefits in terms of preventing and solving crimes. The Government have decided to reject those safeguards and to go much further in restricting the use of DNA, but not on the basis of evidence. Some people object, as a matter of principle, to DNA being held at all if the person has not been convicted. I do not agree with that, but neither does the Home Secretary. She claimed that nobody's DNA should be kept at all if they were innocent, but that is not what the proposals in her Bill achieve. Rightly, she recognises that there must be a balance that supports the needs to prevent crime and to ensure that crimes are solved. A balance needs to be struck, but she is not striking the right one. The changes go too far in restricting the use of DNA and will make it harder for the police to solve and prevent serious crimes.

This is a particular problem in rape cases. As the Home Secretary knows, rape cases not only have a notoriously low conviction rate, but a notoriously low charge rate. That is because the trauma for the victim is so great and because of problems with evidence. Many perpetrators of serious sexual crimes are not brought to justice for their first offence. In about 70% of cases in which a rape suspect is arrested, there is no charge.

[Yvette Cooper]

According to Home Office papers, in cases where there is no charge, DNA will be kept only in very limited circumstances, so in most of these cases the DNA will be destroyed, even though it might be critical in catching a repeat offender for a nasty and violent sexual offence.

The Home Secretary will know that a considerable number of cases have been solved because of DNA. Kensley Larrier was arrested in 2002 for the possession of an offensive weapon. The case never reached court, but two years later he raped someone and was found because of a DNA match. Lee and Stephen Ainsby raped and kidnapped a 17-year-old girl in Barnsley. A match with Lee Ainsby's DNA was found years later in a case review. It had been taken because he had been arrested for being drunk and disorderly. Under the Home Secretary's system, his DNA would not have been kept. Without that DNA, those two men would still be free, and justice for that young girl would not have been done. Abdul Azad was arrested for violent disorder in Birmingham in February 2005, but released without charge, according to the Forensic Science Service. In July 2005, he raped somebody in Stafford and was identified only because the police had his DNA. The senior investigating officer for the case said:

> "We would never have caught him had his DNA not already been on the database—he didn't even live locally so we had no intelligence leads either."

Case after case would have been much harder for the police to solve under the Home Secretary's new rules. Yes, she has an obligation to ensure that individuals are protected from unjustified interference, but she also has an obligation to protect people from crime and to deliver justice for the victims of horrific crimes.

Mr Cash: I am sure that the right hon. Lady will appreciate, given the importance of this debate, that many of the points that she has made about those cases derive from European rulings and the European convention on human rights. The problem with almost everything she has said is that it was her Government who were responsible for bringing in and endorsing many of these provisions, including through the Human Rights Act 1998. Does she not accept that there is a dilemma, which has to be resolved in Committee, about whether we should go down the human rights route and follow article 8 or legislate in this House to ensure that we achieve justice for the people concerned?

Yvette Cooper: The Crime and Security Act 2010, which was passed before the election, addressed many of those issues and concerns. A wider discussion, which we will not stray into, is about whether one of the benefits of the Human Rights Act is that it refers issues back to Parliament and allows it to respond.

Mr Hanson: Is my right hon. Friend aware that when my hon. Friend the Member for Tynemouth (Mr Campbell) and I took the DNA provisions through this House at the beginning of last year, the then Opposition did not oppose the six-year retention period? That was because they recognised that many murderers, rapists, sexual offenders and others were caught after committing crimes because of DNA profiles, meaning that other victims were not created. Does she agree that the proposals threaten to create more victims?

Yvette Cooper: My right hon. Friend is right about the importance of protecting victims, as well as protecting other people. It is a shame that the Government, having supported the measures in the 2010 Act and allowed it to go through, have not chosen to implement it. The revised measures will take much longer to put in place.

Mr Watson: I was not aware of the cases that my right hon. Friend raised. Before we decide where we stand on this matter, I think that the people of Stafford, Birmingham and Barnsley deserve an explanation from the Home Secretary about why these measures would have allowed serious criminals to remain free.

Yvette Cooper: My hon. Friend raises an important point. If these restrictions go through and make it harder for the police to solve serious crimes, the Home Secretary will have to explain to the victims of crime and those who are worried about serious crimes and offences why she has chosen to draw the line where she has, and to strike the balance in a way that will mean that more victims will not get the justice that they deserve and that we have a responsibility to pursue on their behalf.

Protecting freedom means getting the balance right. It means protecting the freedom of victims as well as protecting everyone else from unnecessary suspicion or interference. It means making sure that there are safeguards, checks and balances that protect people's freedoms and protect the innocent. It also means making sure that the police have the tools they need to fight and prevent crime that hurts innocent people.

In reality, what are the Home Secretary and her Government doing? Their record on protecting freedoms and ensuring checks and balances is a mass of confusion and contradiction that makes a mockery of their rhetoric: new powers of confiscation for local councils; restrictions on protest in Parliament square and powers for non-warranted officers to move people on physically; substantial powers over the police concentrated in the hands of a single politician—the police commissioner; and a populist assault on the courts and the Human Rights Act, which play an important role in preventing arbitrary state power. The Government are not putting in place checks and balances or protecting freedoms. At the same time, they are making it harder, not easier, for the police to fight crime and bring offenders to justice—through restrictions on DNA, loopholes in child protection, weakening the sex offenders register, ending antisocial behaviour orders, weakening control orders and by having more than 10,000 fewer police officers thanks to the 20% front-loaded cuts. That is not a good list.

The Bill does not do what it says on the tin. It does not deliver a fundamental change in the protection of freedom for the innocent, and it does not protect the freedom of victims. The Home Secretary has given in to the rhetoric of the Deputy Prime Minister and she will be judged by the reality of her decisions today. She is getting some of those decisions wrong.

6.47 pm

Mr Edward Leigh (Gainsborough) (Con): I welcome the Bill. How could one not support clamping down on the wheel clampers? Some of my constituents have had terrible experiences at their hands.

Although I listened carefully to the shadow Home Secretary's arguments, and although she made some fair points about DNA, one cannot, on civil liberties grounds, oppose removing the DNA of innocent people from the DNA database. It is a fundamental principle of British law that when people are found innocent by the courts, they are innocent.

My speech will be rather like the speeches that we used to have at Conservative party conferences, which said that the motion was fine, but did not go nearly far enough. Much of the Bill is, frankly, pretty unexceptional. Compared with the Deputy Prime Minister's rhetoric last year about bringing in a Bill to

"protect our hard won liberties"

much of it is a bit tame. What happened, I wonder, to the 14,000 ideas that were suggested by members of the public via the "Your Freedom" consultation? It is like a scene from "Yes Minister". An enthusiastic new Minister says, "I want to have a Freedom Bill," and 14,000 replies come in. One can imagine Sir Humphrey, in his most mellifluous tone, advising the Minister that freedom can be a very incendiary device when it comes to Government.

I suggest that the Bill should go further, and I hope that I will get support not only from those on the Government Benches, but from Opposition Members. The Leader of the Opposition has admitted that Labour was

"too draconian on aspects of our civil liberties".

Where can we go further? I am particularly worried about freedom of speech. I believe that political speech and debate, even in this place, are becoming very bland. There is a chilling effect on free speech, because people are discouraged from expressing unpopular opinions that do not fit with the winds of political fashion. Did not George Orwell once say:

"Freedom is the right to tell people what they do not want to hear"?

I would add that the right to speak against received wisdom is the only way to make social progress, as I hope many Opposition Members would agree. We have to protect the ability to express widely differing opinions in strong terms in the public square.

One reason why I was worried about the Phil Woolas case, as I said at the time on the Floor of the House, is that if someone has a British National party candidate standing against them, for example, they have to be able to denounce them for what they are without fearing legal sanctions. We have a more and more active and activist judiciary, not just in the Supreme Court and the lower courts but in the European Court of Human Rights. Again, that has a somewhat chilling effect. We should examine some of the debates that there used to be during general elections, certainly 100 years ago but even 50 or 40 years ago. They were a lot more robust than they are now.

With that in mind, and in the spirit of warm and cosy friendship with my Liberal Democrat friends, I wish to try to persuade the Home Secretary to give some thought to adopting a Liberal Democrat proposal for inclusion in the Bill. It was made by Dr Evan Harris, who at the time was the Member for Oxford West and Abingdon. May I say how much we all miss him? Although I disagreed with him on virtually everything, he was a kind of foil to some of my arguments. In March 2009, he tabled an interesting proposal to amend the Public Order Act 1986. He wanted to delete the word "insulting" from section 5, because he was concerned that that section was being used to trample on free speech. As I have said, I did not agree with a lot of what he said, but I did agree with that.

Mr Cash: Is my hon. Friend aware that the said Evan Harris, on one occasion in the House, referred to those of my hon. Friends with my inclination in these matters as the "odious right"?

Mr Leigh: I am reminded of that Somerset Maugham story in which two old men hate each other and argue all the time, and then one dies and the other one fades away. I feel that a bit about Dr Evan Harris leaving the House.

Mr Stewart Jackson (Peterborough) (Con): Does my hon. Friend remember the Hayes dictum, named after my hon. Friend the Member for South Holland and The Deepings (Mr Hayes)? It was that if a Member was in the same Lobby as Dr Evan Harris, they were in the wrong Lobby.

Mr Leigh: That is enough about our friend, I think.

Section 5 of the 1986 Act outlaws

"threatening, abusive or insulting words or behaviour"

if they are likely to cause "harassment, alarm or distress". The proposal that I wish to make, which I and the Liberals supported before, is the deletion of the lowest threshold of that offence, which is the word "insulting". That would still leave the two higher thresholds of "threatening" and "abusive".

The 1986 Act was brought in to replace the Public Order Act 1936, which had worked very well in dealing with the blackshirts and all that. The 1986 Act does not define the terms "threats" and "abuse", but we all know them when we see them. The courts have often said that. Threat is obvious, is it not? It is when someone is in your face and there is a fear of violence, and abuse is when someone uses obscene language. Insult, however, is clearly something less serious and more subjective, and that is the problem. I believe that removing the word "insulting" would be enough to stop section 5 being misused and generating a chilling effect on free speech.

Tom Brake: I wonder whether the hon. Gentleman will take any reassurance from the fact that as recently as Monday, Evan Harris was in the House campaigning to get rid of the word "insulting".

Mr Leigh: Good, I am very glad. That just shows that there is support for that from all over the House, and indeed from outside.

Section 5 of the 1986 Act is a classic example of a law that was brought in for a fair reason, to deal with a particular state of affairs long ago, but has been used in practice for something quite different. It was brought in to tackle hooliganism, but it is increasingly used by police to silence peaceful protestors and street preachers.

I shall give a couple of examples of how section 5 has been used, to show what has been going on. It has been used to prosecute a couple of hotel owners, Ben and Sharon Vogelenzang, who had a breakfast-table dispute with a Muslim guest. I do not comment one way or the

[Mr Leigh]

other on their views, but they said that Mohammed was a warlord and that Islamic dress oppressed women. For that breakfast-table dispute, they were prosecuted. True, the judge threw the case out and apparently hinted that the police should have handled it differently, but the point is that for some reason, Merseyside police thought that section 5 applied to theological debates over breakfast. Even though the couple were acquitted, their business went to the wall. It is not enough to say, "Well, we don't need to worry, because they were not convicted." We should worry, because people are increasingly worried about expressing strong opinions.

There are other examples. In 2008, a 16-year-old protestor was issued a summons by police under section 5 of the 1986 Act for holding a placard outside a scientology centre that read, "Scientology is not a religion, it is a dangerous cult", which is something that many people agree with. City of London police referred the allegation that the sign was abusive or insulting to the Crown Prosecution Service. I am glad to say that Liberty, which is supporting the campaign for the change, intervened and the case was finally dropped. However, it shows the problem that exists.

Then there were the animal rights protestors in Worcester, who were threatened with arrest and seizure of property under section 5 for protesting against seal culling using toy seals coloured with red dye. Police told them that the toys were deemed distressing by two members of the public and ordered them to move on.

The last and most ridiculous case is that of Kyle Little. After being warned by the police for using bad language, he was arrested and prosecuted under section 5 for a daft little growl and woof aimed towards two Labrador dogs. I have a dog, my own dearly beloved William, and I am sure he has never felt insulted by anything that I have ever said to him. But this poor Kyle Little, for growling at a dog, was detained for five hours, despite the dog owners not wanting any prosecution, at a cost of £8,000 to the taxpayer. Unbelievably, Newcastle Crown court finally had to acquit Little of the charge. We can see what is going on. [HON. MEMBERS: "It's barking!"] The right hon. Member for Blackburn (Mr Straw) and others are right. We need to bring it to an end.

We should all worry about this. There is something wrong with a law when the police think that it requires them to regulate debate. As I have said, the 1986 Act was introduced to replace the 1936 Act during a period of football hooliganism, as people might remember. At the time, a White Paper identified the mischief at which the Act was aimed—hooligans on housing estates throwing things down stairs and banging on doors, and groups of youths persistently shouting abuse and obscenities. Section 5 was a fairly reasonable response to that. The then Home Secretary, Douglas Hurd, told the House that it would not undermine civil liberties, but 25 years later, we see a major difference between what was intended and what has happened since. We therefore need to examine the wording. I cannot act very easily, as a Back Bencher, but Ministers can do so very easily.

Liberty has argued that we should use the Bill to repeal section 5 of the 1986 Act in its entirety. That may be going too far for Ministers, and I do not follow Liberty as far as that, but in a classic triangulation exercise, why cannot we just remove the word "insulting" and leave the higher grades? I have support from our own Joint Committee on Human Rights, which heard evidence that section 5 was being used to suppress free speech and made representations to the previous Government, which were resisted. That Government rejected the advice of our own Committee on human rights.

I say to the Under-Secretary of State, my hon. Friend the Member for Old Bexley and Sidcup (James Brokenshire)—please will he listen for a moment, as the responsible Minister?—that it appears that civil servants at the Home Office are still using, almost verbatim in correspondence signed by him, the arguments used by the last Government against amending section 5. I wonder whether he knows that the letters that he is sending out use exactly the same language as was used by the Labour Government to resist what our own JCHR suggested.

In response to the JCHR recommendations, the previous Government said that they believed that problems with section 5 could be addressed by "guidance", which is a classic cop-out for civil servants. It is true that the Association of Chief Police Officers recently produced new guidance on breach of the peace, which covers section 5. However, that still encourages police to pursue insulting words or behaviour, because of course, that is what the law tells them to do. If we tell the police that it is wrong for people to use insulting language, they will pursue them. It is up to us to make the law clear so that the police can operate in an entirely sensible fashion. Frankly, it is not good enough for Ministers to say, "We can solve this with guidance," especially when there is a Protection of Freedoms Bill on the stocks. In any case, an issue as serious and significant as civil liberties should not be left to mere guidance. It is for MPs to make such decisions.

The previous Government used another argument that is still used by Ministers in correspondence. They say that if the word "insulting" is removed from section 5, the police will not have sufficient power to protect the public, but that is not the case. Neil Addison, a barrister who spent 10 years prosecuting cases in Newcastle, has suggested that the "threatening" and "abusive" limbs of section 5 will cover all genuine public order cases. He says:

> "Looking back on the large number of s5 cases I have either prosecuted or defended over the years I cannot think of any 'normal' public order situation which could not be covered by the words 'threatening and abusive'. Most cases under s5 involve people (often drunk) yelling aggressively and making frequent use of the 'F' word and that is the sort of situation that s5 and indeed the entire Public Order Act was supposed to deal with, it was never supposed to deal with the situation where individuals, whether street preachers or otherwise",

including demonstrators or people we do not like,

> "were expressing their personal opinions."

We use other laws if we get complaints from distressed individuals. The Protection from Harassment Act 1997 criminalises any repeated harassment of an individual, which I support. Therefore, deleting the word "insulting" from the Public Order Act 1986 would not leave police and prosecutors without powers to deal with low-level public disorder.

One of the silliest arguments used to defend that part of section 5 is that removing the word "insulting" would mean that the courts would have to adjudicate on the difference between abuse, which is criminal, and insult, which is not—we see that argument in letters from Ministers both of the previous Government and of the current one. However, courts make such adjudications all the time. We could equally say that under section 5, the courts must adjudicate between insult, which is criminal, and incivility, which is not. Criminal courts decide whether an activity is criminal—it is their raison d'être. All the arguments put up by this and the previous Government on why "insulting" cannot be removed from section 5 fall to pieces.

I am sure we all agree that free speech is a bedrock of true democracy. It encompasses the freedom to disagree and to challenge received opinion. We might not like what someone says and we might take offence, but lively debate and a robust exchange of ideas are integral parts of a true democracy. Lord Justice Sedley, in his landmark ruling in the case of Richmond-Bate in 1999, put it better than anybody. He said:

> "Free speech includes not only the inoffensive but the irritating, the contentious, the eccentric, the heretical, the unwelcome and the provocative provided it does not tend to provoke violence. Freedom only to speak inoffensively is not worth having."

In my view, the criminal law does not exist to protect people from feeling insulted. I urge Ministers to think about addressing section 5 of the 1986 Act in the Bill. They and no one else have the power to do so.

The JCHR, Liberty, Justice, the Christian Institute and Dr Evan Harris are calling on us to do something about section 5. I note the Liberal Democrats specifically referred to reforming the 1986 Act on page 93 of their manifesto last year. It is a Lib Dem idea that we would be wise to adopt. I urge such a measure on the House in the name of that most precious commodity—freedom of speech.

7.4 pm

Mr Jack Straw (Blackburn) (Lab): I am delighted to follow the hon. Member for Gainsborough (Mr Leigh). This is the first time that I have ever heard him endorse anything Liberal Democrat.

I share the hon. Gentleman's opinion of the Bill, which he described as pretty unimpressive. The content of the Bill does not remotely justify its extraordinary and wholly inaccurate title. We would expect a debate on a Bill to protect our freedoms to include a far more wide-ranging discussion by the Home Secretary of the nature of freedoms in this country and how they should be properly balanced. We would also see a description of such essential freedoms in the Bill. However, the Bill, parts of which are worthy and others downright dangerous, is no more than a standard criminal justice amendment Bill.

Mr Leigh *indicated assent.*

Mr Straw: I am glad that the hon. Gentleman endorses that view.

I am sorry that the Home Secretary has left the Chamber, although I understand the pressures on her. She made some extraordinarily hyperbolic remarks, and described the situation under the previous Government as the creeping intrusion of the state and a slow march to authoritarianism. As my right hon. Friend the shadow Home Secretary has accepted, the previous Government got some things wrong, and, in the light of experience, some things turned out not as intended. I will deal with those later, but on our record of balancing necessary security with the expansion of freedoms, I and the Labour party defer to no one.

Labour was the party that introduced the Human Rights Act 1998. I remind the Conservatives that they voted against it on Second Reading. I am glad that, following amendments to the Bill, which I sought to make to build the kind of consensus of which my right hon. Friend the shadow Home Secretary spoke today, the then Conservative Opposition supported it on Third Reading. The then shadow Attorney-General, the late Nicholas Lyell, said from the Opposition Dispatch Box that he wished the Bill well.

I also remind the hon. Member for Stone (Mr Cash) that the 1998 Act is about bringing British rights home, so that they can be adjudicated on by British courts. The Act does not create a sovereign Supreme Court. As my right hon. Friend pointed out, under section 4, even if the British Supreme Court declares that legislation made by this House is incompatible with the incorporated European convention on human rights articles—that happens rarely, and not in the cases of DNA or votes for prisoners—the legislation is not unenforceable: it stays in force unless and until this House decides otherwise.

The Labour Government introduced the Human Rights Act 1998, the title of which was never disputed, because it was indeed about human rights—we could have called it the "Human Rights and Freedom Act". We also introduced the Freedom of Information Act. I am proud that I was the Home Secretary who produced those measures and a number of others. The previous Conservative Government opposed the freedom of information legislation at every stage for 18 years. They wanted only a non-statutory, unenforceable code. That is all they would have introduced.

David T. C. Davies: I wonder what the right hon. Gentleman made of the claim in Tony Blair's book that one of the two worst things he did was to pass the Freedom of Information Act—the other one being to pass the Hunting Act 2004.

Mr Straw: I will pass lightly over the Hunting Act, if I may. I do not happen to agree with Tony Blair on that point. Although freedom of information requests can be irritating, especially if one is in government, I did not change how I operated as a Minister. It did not mean that I ceased to record my decisions or comments on submissions. As was brought out by the Dacre report, whichever party is in power there is a case for the proper protection of Cabinet discussions and collective responsibility—that issue might need to be reconsidered, because it has not worked out as intended—but I am in no doubt that overall the Freedom of Information Act has been a force for good.

In addition to those two Acts, we passed the Data Protection Act 1998. There had been no provision to protect people's personal data before I introduced that Act in 1998. We also introduced extraordinarily important freedoms and protections for people who do not happen to have white skin, including in the Race Relations (Amendment) Act 2000 following the Lawrence inquiry.

I am sorry that the Home Secretary is not here, but while we are on the subject of freedoms, I would draw to the House's attention the extraordinary difficulty that we had in providing freedoms for gay men and women by reducing the age of consent—equalising it

[Mr Straw]

at 16. The first attempt, which was an amendment to the Crime and Disorder Act 1998, was defeated in the Lords so strongly that we lost the whole Bill. I then had to introduce a further Bill containing simply a reduction in the age of consent to 16. That, too, was defeated in the Lords, and it was not until we used the Parliament Act that it got through, against vehement Conservative opposition, including from some in this Chamber—to the shame of the Conservative party—and a huge amount in the other place. So let us hear no more nonsense from the Conservative party or the Liberal Democrats suggesting that we in the Labour party failed to balance liberty and order effectively and properly. Yes, we introduced a number of measures on the other side of that equation, but most of those—as far as I can recall, all of them during my period—were actively supported by the Conservative party in opposition.

Tom Brake: I do not think that any Government Member is saying that the previous Government achieved nothing in relation to civil liberties. However, does the right hon. Gentleman agree that on the other side of the balance, in terms of what the Government did, were the fiasco over 90 days' detention, control orders, blanket stop-and-search powers and some very draconian measures that went to the heart of threatening our civil liberties?

Mr Straw: I will deal with each of those measures in turn, and then come to the contents of the Bill. I will run through them in the order they appear in my notes. On surveillance measures, the Regulation of Investigatory Powers Act 2000 was introduced, again by me, to do what it says in the title—to regulate investigatory powers. My predecessor, now Lord Howard, had started that regulation. Before 1996, there was no regulation of those powers, and the most extraordinary situation obtained inside the police. They suited themselves whether to put microphones in walls. They had guidelines from the Association of Chief Police Officers, but there was no statutory supervision or proper regulation, and no account was taken of the equipment used. That was improved, to some extent, by my predecessor, and then comprehensively by RIPA. However, I accept that the provisions in RIPA have been used by local authorities, in respect of minor offences, in a way that was never intended, so I support the change proposed in the Bill.

I also support the change on wheel-clamping. I will have to look at some of the detail, but like my right hon. Friend the shadow Home Secretary I strongly celebrate the campaign by my right hon. Friend the Member for Doncaster Central (Ms Winterton), who has been promoted partly because of this and has now had to take Trappist vows as Opposition Chief Whip. I also strongly support a campaign that my right hon. Friend the Member for Kirkcaldy and Cowdenbeath (Mr Brown) began on the elimination of all convictions involving consensual relations with gay men.

The hon. Member for Carshalton and Wallington (Tom Brake) asked me about counter-terrorism powers. Although we did not get everything right, the introduction of those powers needs to be seen in context. The Terrorism Act 2000 was approved by the House—I cannot remember where the Liberal Democrats were, but I remember that the Conservatives supported it. However, section 44 was intended to be used in a much narrower way than has been the case, so I have no objection to its effective redefinition in the Bill.

We got it wrong on 90 days—I am perfectly happy to say that—but it must be seen in the context of what happened on 11 September 2001. People were terrified, and the first responsibility of any Government is to secure the most fundamental liberty—the right to life. Of course, we still needed to have a balance, and we sought one, but we did not quite get it right. I am perfectly happy to say that. I simply say to the hon. Gentleman, however, that although the prescription in the Bill of 14 days is fine as a standard, the contortions in the Bill and in draft legislation that would provide for a reserve power of 28 days will prove impractical. The reserve power, which we all agree ought to be there, has to be used in circumstances in which it is virtually impossible for the Home Secretary to disclose the details. The full-scale parliamentary legislative process that would follow a recall of Parliament—you can bet your life that that is how it would happen, because that is how terrorists operate—would be the most extraordinary and mocking ever seen: the Home Secretary would have to come to the House and say, "I want this legislation to double the period of maximum detention, but I can't tell you why." It would be far better, in those circumstances, to say, "Here is a power for the Secretary of State for which he or she will be accountable in due time." Given that he or she is the only individual in possession of all the information that should trigger this power, the responsibility for triggering it should rest with the Secretary of State by way of a special order.

Mr Cash: Will the right hon. Gentleman, to whom I am listening carefully, seek, as a former Home Secretary, to answer the question I put to the shadow Home Secretary regarding habeas corpus? I also asked Charles Clarke, another former Home Secretary, whether habeas corpus would survive these provisions. I never got a satisfactory answer. Does the right hon. Gentleman accept that these provisions do affect habeas corpus, but that, as I insist in my Bill, which comes out tomorrow, habeas corpus is absolute and must apply in all terrorism cases?

Mr Straw: I do not want to get drawn too far down this road, but the hon. Gentleman will know that until the Police and Criminal Evidence Act 1984 and the recommendations of the royal commission that preceded it, there was no statutory regulation of the length of time for which, or the circumstances in which, the police could hold a suspect. It is extraordinary, if we think about it. There were judges' rules, which were non-statutory, and the only effective check on an arbitrary use of power—apart from practice—was habeas corpus. If somebody was locked up for too long, his solicitor or friends would threaten a writ of habeas corpus. That was how it worked, and I would refer those who think that those were halcyon days for criminal justice to the 2010 Judicial Studies Board lecture in which the current Lord Chief Justice, Lord Judge, reflected on his time as a junior at the Bar and on how that non-statutory system of regulation led—as I saw when I was a young barrister in the 1970s—to fitting up, to words being put into criminals' mouths and sometimes to very substantial and totally unacceptable physical pressure and violence against suspects. Of course, one consequence was that confession statements were often successfully challenged. Habeas corpus is one part of the law, but where there is more recent statute, the courts will go to that first.

Let me turn now to other matters in the Bill about which I have some serious reservations. As the Member of Parliament for Blackburn, I have had many representations about closed circuit television. I do not know whether my experience is any different from that of anyone else in the Chamber, but all the representations I have received about closed circuit television have been requests from constituents to introduce more of it. In the whole of my 32 years in this House, I have never had a single representation seeking the removal of CCTV monitors. Not one. The demand is there because it makes people feel safe, and I bet that this experience is shared across the Chamber. I cannot remember an occasion as Home Secretary when I received any representations suggesting that the existing system, which we should bear in mind is subject to control under data protection and other measures, was unsatisfactory.

Steve Baker: Just on a point of information—as the right hon. Gentleman invites it—during the election campaign I received at least one request to reduce the amount of CCTV.

Mr Straw: I am grateful for that intervention, which makes my point, because that one representation is balanced by the large number that we receive the other way. I just wonder whether the Government are setting up significant and costly bureaucracy to solve a problem that does not exist.

On criminal record certificates, let me say this. I have been a governor of Blackburn college—a further and higher education college—for the last 20 years. Following the post-Soham measures, each member of the governing body had to fill in a lengthy form and produce their passport, as part of the application process for an enhanced CRB certificate, a process that I regarded as frankly rather tedious. I am pleased to say that it confirmed what I had already told the clerk to the governors, which was that I had no convictions since, as far as I knew, nothing adverse had been recorded by the police. At first blush I thought, "This is going a bit over the top." I certainly accept that there ought to be a lighter regime for the generality of volunteers, but I would just offer this salutary point to the House.

Just before we were asked to fill in those CRB checks, there was an apparently entirely respectable man on the governing body who, to shorten the story, was convicted of very serious sexual offences against someone who was vulnerable—albeit an adult, and not at the college—and he went to prison. I cannot be certain about this, because I do not have access to the information, but I know enough about that man to know that there was information that could not have led to an earlier arrest but which was on the police database and would almost certainly have been included in a CRB check. I happen to believe that although it was tedious for me and everybody else on the governing body to apply for a CRB check, the balance in terms of public safety—and particularly the safety of young people and children—favours having such checks.

I just think—I know that my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper) on the Front Bench believes this too—that this issue has to be examined with the greatest care. We forget too quickly the context in which the measures in question were put in place. The Soham murders were awful. Huntley, like many serious sexual offenders, was brilliant at deception. Indeed, there are no better deceivers—of themselves as well as everybody else—than serious sexually predatory men such as Huntley. If it means a bit more bureaucracy, but also that our children and grandchildren do not become the next victims, we should err on the side of safety.

Finally, let me come to DNA and the taking of other biometric data, including fingerprints. The hon. Member for Northampton North (Michael Ellis), who is no longer in his place, asked about the 1 million "innocent" people on the database. That prompts the question whether people who are "innocent" actually mind having their DNA on the database. Again, I do not believe that my constituents are significantly different in character or profile from those elsewhere, but plenty have had their DNA or fingerprints taken when either the case has not proceeded to charge or they have been acquitted, yet I cannot remember a single case of someone complaining to me about it. On two occasions in my life—this was before DNA was available—I have had my fingerprints taken. The first was at school when there was a burglary and it was necessary to eliminate a group of us as potential perpetrators, and I was happy enough to give my fingerprints.

As an adult, when I was a special adviser there was a criminal investigation into the leak of a limited circulation annexe to some Cabinet documents, and a Commander Habershon, with a sergeant who looked like Oddjob out of "Goldfinger"—I should tell the House this was before the Police and Criminal Evidence Act 1984—came to interview me. I was invited to give my fingerprints; and, looking at Oddjob, I decided that this was probably an invitation I should accept. I gave my fingerprints, not least in the belief—which turned out to be accurate—that doing so would be a means by which I would be eliminated from the police inquiries. They asked me, "What should we do if you are eliminated?", and I said, "I really don't mind if you hang on to these."

As it happens, I have not given my DNA, unlike my right hon. Friend the Member for Sheffield, Brightside and Hillsborough (Mr Blunkett), but I would be perfectly happy to do so. Most people believe—I know that some Conservative Members also take this view—that that is sensible for two reasons. One is that, as my right hon. Friend the Member for Normanton, Pontefract and Castleford said from the Front Bench, doing so helps to protect the innocent. Since the introduction of DNA, not only have more guilty people been convicted of serious crimes, but a number of serious miscarriages of justice have at long been last ended, resulting in justice for the innocent person who had ended up in prison.

I would also remind the House why I introduced the change that meant that once there had been an arrest or charge, the samples should be retained indefinitely. There were two cases in 2000—one was called Weir, the other was called R *v.* B—one of which involved a murder, the other involving a rape. In both cases DNA samples had been taken in respect of offences for which the defendants had been subsequently acquitted, but the courts held that that DNA evidence could not be used to convict them later. In the case of R *v.* B, there was a rape—an awful rape—in 1997 of an elderly person where DNA

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swabs were subsequently taken from the victim. In 1998, this man B was arrested and charged with an unrelated burglary and his DNA was taken. He was subsequently acquitted of the burglary; meanwhile, the forensic examination of the DNA taken from the rape victim was proceeding. After that acquittal, that DNA and B's DNA were matched and he was charged with rape.

The case went to trial, and the trial judge took a submission from the defence that the critical evidence—in fact, the only evidence; but as the trial judge himself said, it was compelling evidence—of the defendant's guilt, namely the DNA, could not be adduced in evidence because it should have been destroyed.

The matter went to the Court of Appeal, which said that, on a construction of the Act, that was correct. I do not criticise the senior judiciary for that decision, because they have a job to do, and it is to construe the law, not to invent it. We should not criticise them in any circumstances. It was quite inappropriate for the Prime Minister to criticise the judiciary recently. Any decision that they make, including those made by the Supreme Court, can be overturned by this House. It is different in respect of the European Court of Justice and the European Court of Human Rights, but I shall not tread that particular path just now.

As a result of the Weir case and the R *v.* B case, someone who was unquestionably guilty of murder and a guilty rapist were found not guilty because of the inadmissibility of the evidence. They were both allowed to go free and, my guess is, to commit further crimes. I then introduced changes in what became the Criminal Justice and Police Act 2001, and my right hon. Friend the Member for Sheffield, Brightside and Hillsborough then amended the legislation further.

I mention those cases to remind the Home Secretary that, in talking about freedoms, we must strike a balance between the important rights of defendants charged with crimes—which have been strengthened quite profoundly, not least by the Human Rights Act 1998—and the rights of victims and the public. The Law Lords said in their judgment, when they reluctantly had to endorse part of the Court of Appeal's decision, that there had to be a triangulation—their word, not mine—to balance the three sets of rights.

My right hon. Friend the Member for Normanton, Pontefract and Castleford spoke of the risks that the Home Secretary is taking by introducing these measures. It is a truth about being Home Secretary that something will go wrong, and that when one thing goes wrong, something else normally does as well. Indeed, when I was Home Secretary, there was one week in which I had to come to the House to make an emergency statement each day. That was exceeded only by the late Lord Whitelaw, who had to make two statements on one day about things that had gone wrong—sometimes very badly wrong.

It is possible that the right hon. Member for Maidenhead (Mrs May) will turn out to be the luckiest Home Secretary since 1782, when the post was created, and I wish her well. I do not think that she will be, however. She is the person proposing these dangerous measures that will put freedoms at risk for the vast majority of the British public, and she needs to have a care both for the British public and for her own future. In her speech, she denied that these changes would undermine the detection of crime or lead to fewer guilty criminals being convicted. She said that she would go on to explain how and why she was able to make that statement, but I noticed that the rest of her speech was completely silent on that point. I was not surprised. The changes are bound to lead to some people whom we all know to be guilty and dangerous being allowed to go free.

After the right to life, the next most important right and freedom is the right to security. We were the first Government since the war to preside over a year-by-year reduction in crimes of all kinds, as the Library paper makes clear. There was a 43% reduction, according to the British crime survey. That dramatic reduction made this country safer. I celebrate all the freedoms, including those mentioned by the hon. Member for Gainsborough, but I also celebrate the fact that, although we are a long way from perfection, this country is now safer for people living in their homes, for people out on the streets and for people driving their cars. Those are real freedoms, and some of the changes in the Bill will put them at grave risk.

7.35 pm

Gareth Johnson (Dartford) (Con): I am please to be able to contribute to the debate, and to be able to follow the right hon. Member for Blackburn (Mr Straw), who made his points very forcefully. This is an important Bill as it builds on a fundamental principle of this Government—namely, the empowering of the individual. It will ensure that more power is vested in people and not in the state, and it trusts people to take control of their lives. In short, it will create a smaller state and bigger people.

Much of the Bill involves trying to strike a balance between two undesirable extremes. With DNA, for example, we need to strike a balance between everyone having their DNA taken and no one having it taken. With CCTV, the balance needs to be struck between having no limits at all on its usage and a total ban. With parking restrictions, we need to find a balance between allowing clampers to do just as they like and allowing anyone to park anywhere on private land. Similarly, with CRB checks, we must strike a balance between having no checks on people who work with children and treating everyone as though they were a paedophile.

Naomi Long (Belfast East) (Alliance): I understand the hon. Gentleman's point about balance. I am a voluntary youth worker with Girlguiding UK, and I would be slightly concerned if volunteers thought that there was an implication of guilt in their being asked to undergo checks. We need to be careful not to over-hype the language involved, because most of us who work with vulnerable young people are quite comfortable with being checked in order to protect them.

Gareth Johnson: The hon. Lady makes a good point. The intention of the Bill is not to put off volunteers. I have worked on the governing body of an organisation that assists young children. We all joined in September and submitted our CRB checks at that time, but we did not get the results back until the following June, which highlights the farcical nature of the system. The Bill is about trying to strike a balance; we need to protect children without putting off the volunteers who want to work with them. The Bill is all about trying to find that sensible balance, and I suspect that the debate will largely centre on that today. There will be as many opinions on where that balance should be struck as there are people voicing an opinion. I believe, however, that the Bill gets it about right in balancing our basic right to freedom with protecting us from those who abuse freedom.

The Bill covers many issues but I will concentrate on just three. The first is the retention of DNA. The right hon. Member for Blackburn told the House how he had allowed his fingerprints to be taken to eliminate him from suspicion of committing a crime. That, however, was a choice that he was able to make, as distinct from the circumstances envisaged by the Bill in which people have no choice. Even if he had to face Mr Oddjob when giving his fingerprints, he nevertheless had a choice about doing so for the purposes of elimination.

Tom Brake: Does the hon. Gentleman agree that just as a choice was made to allow fingerprints to be given, so it should also be a choice voluntarily to seek to have them taken off the register?

Gareth Johnson: Of course the difficulty at the moment is that unconvicted people remain on the list, but the Bill's proposals will ensure that such unconvicted people will not have their DNA on a list for ever and a day. That is the fundamental change that the Bill brings about.

Before the general election, there was general agreement between all political parties that the laws surrounding DNA retention had to change. The arguments centred on where the line should be drawn. Few would want every man, woman and child to be on the register, while few would want to scrap the register in its entirety. Generally speaking, the DNA register has been very successful, but we must find a balance between the two extremes.

At present, the only safeguard an innocent person has after arrest is that DNA can be removed from the register by the police in exceptional circumstances—and that is it. Being not guilty does not necessarily constitute exceptional circumstances. That is the difficulty. It is unacceptable if a completely innocent person can be wrongly accused, entirely cleared of any wrongdoing and not charged with an offence, yet their DNA is never returned and instead remains on the register. An innocent man is not an exceptional man, so his DNA remains on the register for life, which cannot be right. Those who preach that "if you do no wrong, you have nothing to fear" embark on a very dangerous journey where the state is master and the individual is subservient to those in control.

The second issue is the proliferation of CCTV cameras, and I shall again pick up a point made by the right hon. Member for Blackburn. I agree that constituents only rarely contact us to ask for fewer CCTV cameras. Our constituents are more likely to contact us to ask for more of them or for mobile CCTV cameras to be moved to their particular estate or house so that an issue of concern can be monitored. My problem is not with the idea of having more CCTV cameras; it is their non-regulated basis that I object to.

When CCTV first came about and the boom took place, we all expected some sort of code of conduct to be drawn up to which councils or any other public bodies would have to adhere. That will now happen if the Bill is successful and becomes an Act, and, in my opinion, it is long overdue. We need protection from the small number of abuses that can take place. Public confidence in CCTV systems is essential and an unregulated system is unlikely to convey public confidence for much longer. Currently, only the Data Protection Act 1998 provides any safeguards, but that legislation was not designed to regulate CCTV, so it is far from satisfactory for that purpose. As I say, I do not object to CCTV cameras, but to their unregulated use, and I am pleased that this Bill mirrors that view.

Finally, let me deal with the number of powers of entry currently in force. So many powers of entry create a confusing and complex system that is open to abuse. Those who want to abuse their position and enter premises illegally can hide behind our present multi-faceted system. There are so many ways of entering premises that it is often too easy for a property owner to assume that somewhere out there is a power to do so, although that might not be the case. How can occupiers know their rights when there are so many powers of entry and an inconsistent approach to dealing with how those laws came about? It makes sense to have a simplified system that is clearer to understand for both the occupier and those seeking access.

In my experience, requests for warrants of entry by the police are rightly open to vigorous inquiry, yet warrants of entry by utility companies, for example, are almost rubber-stamped. That inconsistency has to change. There will be many occasions when it is correct to have a right of entry, but the combination of so many different powers under so many different pieces of legislation makes it almost impossible for people to know where they stand. Estimates have been made, and the Home Secretary mentioned 1,200 different powers. That is an estimate—just that. Nobody knows exactly how many different rights of entry there are, so how can anyone be certain whether a person is acting lawfully when entering a property against the occupier's will? Again, we require a balance in which property can be entered to protect against crime, but clarity and certainty also exist so that people are aware of their rights and obligations. That cannot occur in a system as complicated as the present one.

In conclusion, freedoms are easy to lose, but very difficult to claw back. This Bill seeks to empower the individual and lessen the control of the state. I want to see less government, not more. I want power to be vested in the individual and not the state, and I support this Bill's attempt to further that cause.

7.46 pm

Jim Shannon (Strangford) (DUP): It was Winston Churchill who said:

> "All great things are simple, and many can be expressed in single words: freedom, justice, honour, duty, mercy, hope".

It is under the banner of freedom and democracy that our troops fight on foreign fields, and it is freedom that we celebrate in Northern Ireland on 12 July each year.

I support much of what is put forward by the coalition Government in the Bill, but I have some concerns. The right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper), the shadow Home Secretary, clearly and eloquently outlined one of our main concerns:

[Jim Shannon]

the relaxation of the vetting procedures. I am concerned to see that through their deliberations members of the Committee protect children. If that does not happen—I suspect that it will—we will take the opportunity to table amendments on Report.

On the subject of regulation of biometric data—we have all heard the comments about that—I am firmly opposed to any kind of nanny state, but I do not believe that freedom can or should be used as a licence to behave in any way with no consequence. In other words, people must be accountable for their actions and those who break the law must pay the price; they have, in my opinion, limited their own freedom by their choice of action. I firmly believe that, in accordance with section 63D of the Police and Criminal Evidence Act 1984, people's DNA should be held on record if they are found guilty of any crime. I am somewhat perturbed, however, that section 63D(2)(a) allows for the destruction of DNA if

> "the taking of the fingerprint or, in the case of a DNA profile, the taking of the sample from which the DNA profile was derived, was unlawful".

That is clear, and I am concerned about it.

In my opinion, even if correct protocol has been followed and the sample has been taken lawfully, if the suspect is subsequently found innocent they should have their DNA record destroyed, as they have no criminal conviction. Is the Minister aware, and will she clarify it in her response, that as of 24 April 2009 almost 1 million unconvicted persons had records on the national DNA database? A very small minority of those people are still under investigation; the remainder will have been found innocent of any crime. During 2008-09, only 283 innocent individuals were successful in getting their records deleted under the "exceptional cases" provisions. That was touched on by the hon. Member for Dartford (Gareth Johnson) and many others in the debate. This issue must be specified clearly in the Bill, and we will seek to achieve that in Committee.

There are many other issues with biometric information, such as the collection and retention of schoolchildren's DNA information, which caused upset of late in a school not far from my constituency. It became clear that parents must and should have a complete veto on the collection and storage of their children's genetic make-up. Children have been particularly affected by the expansion of the DNA database, as there has been a significant increase in the number of young people arrested following minor crimes or even false accusations. Some offences have been as minor as pulling each other's hair or damage to trees and fences. Labelling children as criminals at an early age can be counter-productive, and I hope that will be taken on board in Committee.

Under part 3, "Protection of property from disproportionate enforcement action", I welcome the provision in clause 54 to make it unlawful for clampers to clamp on private land. I have heard the clamping by one firm described as legalised mugging, and although that brought a laugh, there is some truth in it. All Members have had examples of abuses by clampers brought to their attention.

Naomi Long: The hon. Gentleman will be aware that the matter is devolved to the Northern Ireland Assembly. Although the problem has not been as significant there as it has been elsewhere, I believe that a review of clamping regulations in Northern Ireland is to be undertaken.

Jim Shannon: Perhaps I have cornered the market in those who have problems with clampers, but I have heard plenty of concerns expressed. I have had complaints nearly every other week. It got to the stage where I was on first name terms with the people in the companies concerned, although I am not sure whether that was good for them or me.

In my area, a firm of clampers was brought in by residents, but the clampers began to clamp visitors to those residents along with everyone else, and it was realised that there was no regulation of clamping and that the clampers were a law unto themselves. We have all heard horror stories about clamping firms. I won a case in which a lady was clamped who had a disabled child and needed her vehicle for transportation and so paid the fine. Unbelievably, the clampers informed her after payment that the guys who unclamped vehicles were headed home for the weekend and she would have to wait until Monday. After a number of phone calls, I got them to come back and do the right thing by letting her drive away. It is abhorrent that such daylight robbery, though morally defunct, was legally acceptable. The Home Office estimates that 500,000 drivers every year are clamped on private land. The week before last, I read in a newspaper that a lady who worked in a taxi firm had come outside to find her car had been clamped. She contacted her firm, and the taxi drivers, like a wagon train, surrounded the clamping car until the impasse was sorted out.

It is estimated that the public pay out £55 million in clamping fees, which benefit nobody apart from the clamping companies. Towing away will also be outlawed, with private landowners still able to regulate parking by erecting a barrier to keep drivers out or charging regulated parking fees. The ban will apply only on private land and will not affect clamping and towing by lawful authorities such as the police, local authorities or Driver and Vehicle Licensing Northern Ireland. That means that those who do not pay appropriate tax or adhere to signage will be held accountable. That must be good news, and a system is in place to ensure that that happens. Councils will continue to have the power to tow away cars abandoned on private land. Police can also remove vehicles that are causing an obstruction or are dangerously parked, providing a redress for home and business owners. In relation to clause 56, however, I believe that a reasonable standardised fee should be introduced to regulate extortionate fees that may still be levied. I hope that the Minister will address that point, because the Bill provides the opportunity to clarify maximum fees.

In one of his plays, Shakespeare wrote, "Kill all lawyers," which was a bit extreme, but some people have used similar terminology in relation to clamping companies. I tell them that that is just words and does not mean much, but I am hopeful that it will no longer be the quotation used in my constituency if the Bill is amended and tightened up.

Harking back to the need to control legislation, there was a great deal of concern some time ago about local councils spying on people through bugged litter bins. I hope that the Bill will provide protection in that regard.

I would commend the use of CCTV, which is a kind of sleeping policeman that observes at a distance all that takes place. While one Member mentioned that he had only one complaint against CCTV, every person who comes to me tells me that they want more CCTV. In my opinion, CCTV is a weapon that we should use, as the coverage that such cameras record enables us to catch those involved in unlawful incidents. As someone who watches late-night television programmes such as "CSI", I am always impressed by the number of policemen who come on to a crime scene outside a pub or restaurant or in the street, and I just wish that some cases in the past had had the same level of response.

I commend the Bill, although I have concerns that I hope will be addressed in Committee. If that is not the case, I put down a marker that we will address those matters on the Floor of the House when the opportunity arises.

7.57 pm

Tom Brake (Carshalton and Wallington) (LD): It is a pleasure to follow the hon. Member for Strangford (Jim Shannon), who made a sensible and measured contribution, as have other hon. Members. The right hon. Member for Blackburn (Mr Straw) made a fair assessment of what the previous Government had done. They improved some aspects of civil liberties through the Freedom of Information Act, but he also recognised that some measures had been extremely counter-productive. In any scenario in which a Government, over the course of their lifetime, introduce an extra 3,500 offences, there will inevitably be problems with how the police interpret and apply the rules.

Let me give just one example of how some of the powers introduced by the previous Government have been used in an unfortunate way. The example was given to me by a very good friend of mine who now sits in the other place, and whose son-in-law, who is black and from America, has stopped coming to the UK with his son, because every time he went out in London, irrespective of where he was going, he was guaranteed to be stopped by the police under stop-and-search powers. He did not want to have to explain to his son why his dad was being stopped every time they went out.

Clive Efford (Eltham) (Lab): Will the hon. Gentleman explain why the coalition has taken away the requirement on police officers to record the ethnicity of people whom they stop on the street?

Tom Brake: I am sure the hon. Gentleman will be aware that many police forces intend to continue to seize that information. It appears that they are exercising discretion in that respect. He should reflect on the fact that his Government introduced those stop-and-search powers, which were applied in a blanket way across London and allowed the action that I have described to take place.

Although I welcome the announcement by the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper) that the Opposition will not vote against the Second Reading of the Bill, I think that the tone of her comments in relation to the Home Secretary were a touch patronising. I am sure that our Home Secretary fully appreciates the need to balance security with liberty and freedom. That is what the coalition Government are doing by presenting a Bill to restore personal freedoms that were threatened by the last Government, and to end excessive surveillance of individuals.

The right hon. Member for Blackburn seemed to acknowledge that some of the policies implemented by the last Government were—if not draconian—an infringement of the rights of the individual, expensive, and in many cases ineffective. The Deputy Prime Minister was right to describe the Bill as a rolling back of the state. However, although I will not over-hype it, because I trust that many of the measures referred to by the hon. Member for Gainsborough (Mr Leigh), who is no longer in the Chamber—*[Interruption.]* He is, in fact, present. I trust that many of the measures that he mentioned will be subject to a protection of freedoms (No. 2) Bill, because I do not see this as the endgame when it comes to protecting our freedoms. I believe that we cannot place too high a value on liberty and freedom.

The Bill has received support from a number of quarters. The Law Society, for instance, has described the destruction of DNA profiles of innocent people as "an improvement", welcomes the reduction in the maximum pre-charge detention time, and believes that the new stop-and-search powers are "far more proportional". It has listed a number of other proposals that it supports, including the changes in the vetting and barring system.

The Bill proposes regulation of biometric data, and I am pleased that we are adopting the protections of the Scottish model in regard to retention of DNA and fingerprints. Although the Bill will not ensure that all innocent people are removed from the DNA database, it will ensure that hundreds of thousands of those who are currently on it are removed from it. In Committee, those who have received a briefing from the Forensic Science Society will want to examine aspects of the deletion process to establish what deleting a DNA profile means and what constitutes the totality of such a profile.

Rehman Chishti (Gillingham and Rainham) (Con): As one who practised at the Bar before becoming a Member of Parliament, I know that the whole ethos of the DNA database was that the data of those found innocent of offences should no longer be on the record. Does the hon. Gentleman agree that the system used to be administered in a shocking way? Half a million records on the database were completely wrong: names and details were false. Although the Bill contains much that is welcome, we must ensure that the database is fully and thoroughly managed.

Tom Brake: Of course we must. Whenever a massive database is introduced, there is significant potential for errors such as mismatches to be hidden in it. I hope that the Committee stage will provide scope for further examination of the details relating to the database. I am thinking particularly of the retention of children's DNA. In its briefing, Liberty expressed concern about the fact that a child who was caught shoplifting at the age of 10 and again at the age of 12 would remain on the database for the rest of his or her life. If Liberty's understanding is correct, that makes me extremely uncomfortable.

I am pleased that children will no longer be fingerprinted in schools. I am astonished that schools have never been required to seek permission for that from parents. As for the regulation of surveillance and CCTV, my experience

[Tom Brake]

is similar to that of the right hon. Member for Blackburn and others who have spoken today. The most frequent request that I have received as a Member of Parliament has been for additional CCTV systems, but many people have approached me expressing concern about, for instance, the fact that CCTV cameras were pointing straight through their front windows, or their bedroom windows, from premises opposite. I believe that better regulation could solve the problems that have been reported to me, and I therefore welcome the proposals in the Bill.

Jim Shannon: In my experience, when CCTV has been introduced in what might be described as hot spots where there is plenty of antisocial behaviour such as violence and robbery, there has been a marked reduction in the number of such incidents. Does the hon. Gentleman share that experience?

Tom Brake: I certainly think that CCTV deals partly with the fear of crime. However, I know from the results of an inquiry conducted by the Home Affairs Committee that its effectiveness in cutting crime is not so clear-cut. It obviously makes a difference in, for instance, car parks, but it is less obvious whether it makes a difference on a wider scale. The evidence may not be as strong as Members wish it to be.

I am pleased that we are considering the issue of automatic number plate recognition systems. I have raised with Ministers in the past the extent to which bailiffs and private contractors can use such systems, and have suggested that more regulation might be necessary. In Committee, we will doubtless wish to clarify the relationship between the Information Commissioner and the surveillance camera commissioner to ensure that there will be no overlap between them. The regulation that is being discussed at present clearly relates to CCTV in the public sector, involving local authorities and police, but that constitutes a relatively small proportion of the CCTV that is available. We may have to consider whether the boundaries specified in the Bill should be extended.

An issue that is closely related to the issues of CCTV and ANPR systems is that of the use of identification systems in pubs and clubs. Like, I suspect, a number of Members, I took up an offer a couple of weeks ago during special constables week, when we were encouraged to go out with our local special constables to observe their valuable and committed work. On Friday night I spent some time in Sutton high street, visiting pubs and clubs virtually all of which were using systems that captured people's ID—typically, their driving licences. I know that there is significant concern among the police about the extent to which any of those systems comply with the relevant data protection legislation by ensuring that the data that they capture are secure and are handled in an appropriate manner. I realise that that may be beyond the scope of the Bill, but I think that the Government could usefully consider it.

As for counter-terrorism, Members will know from what I said earlier about stop-and-search powers that I am pleased that they will be much more tightly defined. I also welcome the reduction in the maximum period for pre-charge detention from 28 days to 14, although organisations such as the Law Society and Liberty want to push us much further and faster in that regard. I consider 14 days to be a good starting point, but I am happy to leave open the option of introducing a shorter period.

In relation to terrorism prevention and investigation measures, which are being dealt with separately to some extent, let me say as an aside that I hope we will be given more clarification of precisely what is being proposed. I do not want control orders to be replaced by something that looks very much like them. I should also like clarification of what will replace curfews, and I want to know that what we propose as a Government is a system that will focus on securing prosecutions rather than simply containing people.

On safeguarding vulnerable groups and criminal records, I welcome the fact that the vetting and barring scheme will be changed, and that 9 million people will be taken out of the scheme. Simply classifying and categorising people does not guarantee safety, and creating massive databases does not necessarily provide a solution to all the security and safety problems. We have to be more subtle and sophisticated than that.

I welcome the changes on consensual gay sex, and I am sure the Minister is aware of the concerns that, as far as possible, every single record that relates to that previously illegal activity should be deleted. I know there are challenges in terms of how to go beyond cleaning electronic data, but I hope that that can be dealt with comprehensively.

The freedom of information changes are very welcome, although not all aspects of the freedom of information ten-minute rule Bill that I have pressed on two separate occasions in the last three or four years will be picked up. I hope they will be, perhaps in the protection of freedoms (No. 2) Bill, when we get round to that in, I hope, the second half of this Parliament. I do not see any reason why very large private sector organisations that are, in effect, doing public sector work should not be subject to FOI in the same way as the public sector. If they are simply taking on what was previously done by the public sector, to which FOI legislation would have applied, it would be appropriate for it to apply to private sector organisations now doing that work.

I welcome the fact that we will preserve trial by jury and that we are restoring such rights.

In the past couple of weeks, we have watched with astonishment the courage, bravery and thirst for freedom of the Tunisians, Egyptians and Libyans, who have been desperate to embed some of the most basic freedoms in their societies. We have a more straightforward task. We have started the process of restoring some of our most cherished rights in the Protection of Freedoms Bill, and will, I hope, continue that process in the protection of freedoms (No. 2) Bill, which I hope will be introduced in the second half of this Parliament, and which I would expect to pick up on some of the issues raised—such as what the hon. Member for Gainsborough said about free speech, so that the concerns of Dr Evan Harris about removing the word "insulting" can be addressed.

We must maintain the momentum. With freedoms, we can never afford to stand still; we are always swimming against the current. This Bill demonstrates that the coalition is starting to reverse the tide, and that an unprecedentedly great rolling back of the state is under way.

8.13 pm

Pamela Nash (Airdrie and Shotts) (Lab): I want to highlight my concerns about the Government's proposals, which seek to restrict the scope for using DNA to convict dangerous criminals. First however, I shall briefly touch on CCTV, which many of my colleagues have also mentioned this evening.

Although in doing so I run the risk of receiving an avalanche of e-mails by tomorrow morning, I want to take this opportunity to say that I have only once been approached by a constituent who was concerned about the level of CCTV coverage in my constituency. That speaks volumes when we take into account the fact that Airdrie was the first town in Scotland to have open-street CCTV, and that many lists indicate that its centre has a particularly high ratio of such cameras in comparison with other Scottish town centres. On the other hand, many constituents have requested the installation of CCTV on their streets, to protect them and their neighbours from crime, vandalism and other antisocial behaviour. In fact, we now seem to have an issue with crime being driven into areas that are not covered by CCTV. I therefore support the expansion of CCTV coverage in my constituency. Crime in Airdrie town centre fell by 24% in the first two years after the introduction of open-street CCTV. It continues to be supported locally, and is seen to be a great success in reducing crime and antisocial behaviour.

DNA evidence has proved to be a powerful tool in helping us bring to justice violent criminals and sexual offenders. Although I support many of the Bill's proposals, I have serious concerns about any change that will make it much more difficult for the police to catch criminals and build cases against them. It was my hope that the Scottish law on DNA storage would move towards that currently in place in England and Wales. However, instead I find myself today criticising Government attempts to restrict the use of DNA, even though the way it is currently used has led to rapists and murderers being convicted when they otherwise might not even have been identified.

As Members may know, there is currently a different law on DNA retention in Scotland. North of the border, DNA that is taken as part of a police inquiry is automatically removed if the person concerned is not convicted, with the exception that in extreme cases someone charged with a violent or sexual offence but not found guilty can have their details stored for up to three years. In England and Wales there is currently much greater retention of DNA samples by police. At present, people charged with, but not convicted of, a crime will have their DNA samples held indefinitely. As a result, several serious crimes have been solved and many more criminals convicted than would otherwise have been the case. Violent and sexual offenders have been brought to justice by virtue of the fact that their DNA had been taken during inquiries into previous, unrelated and often minor offences and then matched up.

David T. C. Davies: Is the hon. Lady critical of both the Government here in Westminster and the Scottish Parliament for the changes they are making? The Government's changes on DNA will bring them into line with what the Scottish Parliament are doing, so I presume she is critical of both institutions.

Pamela Nash: That is correct. As I have said, I would hope the Scottish Parliament would move more towards the current system in England and Wales, rather than have us go in the opposite direction as we are doing this evening.

Let us look at the crime figures for 2007-08. Some 17,614 crimes were detected in England and Wales where a DNA match was available. These included 83 murder and manslaughter cases, and 184 rape cases. Some of these cases have been very high profile. For example, Steve Wright, the so-called "Suffolk strangler", convicted of murdering five prostitutes in Ipswich, and Mark Dixie, jailed for life for killing Sally Anne Bowman, were both identified through DNA samples taken in relation to other crimes. Without the DNA information held on these individuals, they might never have been caught and brought to justice for their horrendous crimes, and might have gone on to commit even more serious offences. I hope that in summing up the Minister will offer an explanation to their victims' families of why it is acceptable to change a law to allow criminals such as these to escape justice. Equally, had they committed their crimes in Scotland, they might, because of the more restrictive rules on holding DNA samples, have got away with those crimes.

If the law on the storage of DNA samples were to change radically, I would have hoped it would happen in the Scottish Parliament. Police in Scotland have made it clear that a new regime that allowed more DNA samples to be retained would increase clear-up rates and make the public safer. The Association of Chief Police Officers in Scotland has repeatedly called for the situation in England and Wales to be mirrored in the Scottish judicial system. Labour politicians in Scotland agree with them. Of course there should be safeguards in the system, but we believe police should be given effective tools to help bring rapists, murderers and other criminals to justice.

Labour MSPs recently proposed an amendment to the Scottish Government's Criminal Justice and Licensing (Scotland) Bill to give police the power to retain for up to six years the DNA of those arrested for, but not convicted of, a crime. From my point of view and that of most Scots, who want the police to be able to catch criminals, it was unfortunate that the Scottish National party Government joined forces with the Conservatives and the Liberal Democrats to stop this.

It is therefore deeply disappointing to stand here debating Government plans to restrict further the retention of DNA samples in England and Wales. In some cases retention will be restricted to three years, but in many cases, particularly those involving minor crimes, the police will be prevented from storing samples at all. We all know that the rate of charging and prosecuting suspected rapists is very low. The Government's proposals in this Bill mean that someone arrested but not charged with rape—this is what happens in the vast majority of rape cases—may not have their DNA retained. Under these restrictions several high-profile crimes, including those I mentioned earlier, could have remained unsolved. It is difficult to understand the Government's purpose in doing this. It is doubtless about pandering to the Deputy Prime Minister's political rhetoric, but it is certainly not based on evidence about what works in the fight against crime, and it is certainly not about protecting the liberty of our country.

[Pamela Nash]

I am going to read out a quote and I will then tell hon. Members who said it:

> "I have not yet been aware of any innocent person adversely affected by having their details on the DNA database. Actually, rather than impinge on freedoms, it enhances our freedoms. The rapists, murderers and other criminals brought to justice by DNA—these people being taken off the street enhances my freedom. Why on earth the Conservative Party would want to try to take people off the DNA database, Lord only knows."

Those are not my words but those of the hon. Member for Shipley (Philip Davies), who represents the Conservative party, and I could not agree with him more. I urge the Government to think again about these plans. We owe it to the victims of crime and their families to ensure that laws that work and that have brought serious criminals to justice continue to do so. If the Government push ahead with this proposal, they should not be surprised to find themselves labelled "soft on crime". Their coalition partners have always been happy with such a label, but I am surprised that Conservative Members are allowing themselves to be dragged into this nonsense. Freedom for violent criminals is a sorry price to pay for staying in power. Our freedom is enhanced by violent criminals being taken off our streets. The Government should bear in mind the fact that being soft on crime achieves absolutely nothing for anybody's civil liberties.

8.22 pm

Nicola Blackwood (Oxford West and Abingdon) (Con): My hon. Friend the Member for Gainsborough (Mr Leigh) is no longer in his place, but I hope he will forgive me for being here in place of my predecessor, and perhaps the fact that I share his concerns about section 5 of the Public Order Act 1986 will act as some consolation.

It is a joy to have the opportunity to speak in this debate on another coalition move to try to redress the current imbalance between security and civil liberties. All Governments must, of course, be fully committed to public safety and protecting victims of crime, but under the previous Government far too many of our liberties were sacrificed in the name of apparent short-term securities. In too many cases, the previous Government acted before establishing a causal link between that sacrifice and the claimed "greater security". In the absence of the necessary evidence or, in some cases, even public debate, actions including the indefinite retention of DNA of children never convicted, the creation of more than 500 new powers of entry and the careless scattering of a patchwork of surveillance powers across the statute book, not to mention the spectre of 90-day detention without trial, all left us wondering whether some members of the previous Government had had a "common sense-ectomy". Even the Human Rights Act 1998 cannot make up for the disproportionate and draconian measures that they introduced.

In that context, I am pleased that the coalition Government are living up to their promise to cut back on the previous Government's aberrations and to begin restoring the civil liberties that for so long defined British democracy. I apologise if that language seems hyperbolic, but let us think for a moment about the mother who finds herself being spied on by her local authority because she has said that she lives in a certain school catchment area; the child who needs an iris scan to borrow a library book; or the archbishop who finds himself the subject of five Criminal Records Bureau checks, not to mention the innocent man who suddenly finds himself without the right to a trial by jury. Given that the Labour party is so apparently committed to human rights, I find it inexplicable that that state of affairs should have ever arisen. Thankfully, we can always rely on the electorate to draw the line when their Government lose their grip, and I am greatly reassured that the coalition Government have been so prompt in introducing this Bill. As must be obvious by now, I support its intentions and I would have been voting for it today had the Opposition decided to push for a vote.

I would, however, like to take this opportunity to raise a few points of detail with the Minister. Nobody is questioning the fact that DNA can play an invaluable role in crime detection, but under Labour a new profile was added to the new DNA database every 45 seconds. Unsurprisingly, the Home Office had to admit that the database contained more than 500,000 false or wrongly recorded entries. The new biometric data retention regime proposed in part 1 seems to strike the right balance between greater proportionality and targeting, while still protecting the public from those who would commit heinous crimes. That is a great step forward and the regime seems likely to meet the requirements of the European Court of Human Rights ruling. However, I am unclear why the Government have not chosen to distinguish between an adult and a child who is charged but not convicted of a serious crime. In general, legislation does make the distinction between the adult and the child. Childhood convictions are considered spent in half the time of those of adults, childhood lawbreaking has not been found to be necessarily indicative of future behaviour, and the principles of restorative justice are now commonly associated with youth justice. It would be helpful if the Minister could clarify the decision-making process on that point.

Secondly, except in the specific case of an application for extended retention to be heard by the magistrates court with right of appeal for both sides to the Crown Court, I am unclear whether there is a right of appeal to a judicial or otherwise independent body for individuals who feel that their biometric data have been retained unlawfully or inappropriately. I have no doubt that many colleagues have had the same experience as I have of constituents whose data have been taken and retained in error. I even have one constituent who was inaccurately registered as a sex offender for 15 years owing to a clerical error. We cannot overestimate the damage that this sort of error can cause to a person's life. It is vital that a clear route of appeal and system of remedies are available to innocent individuals who get accidentally caught up in the system.

I am also a little unclear where the new regime will sit in relation to the Association of Chief Police Officers guidelines. I am particularly concerned that there should be clarity about the role of the "exceptional case procedure" in the new system. As the Minister knows, the guidance states that an individual's record will be retained until that person has attained 100 years of age but it may be removed before this date by way of the exceptional case procedure. The guidelines state:

> "Chief Officers have the discretion to authorise the deletion of any specific data entry on the PNC 'owned' by them"

but only

> "in exceptional cases."

Those might include

> "cases where the original arrest or sampling was found to be unlawful"

or cases

> "where it is established beyond doubt that no offence existed".

I believe it is helpful for chief officers to have some degree of discretion, especially in relation to scenarios outlined in the exceptional case procedure. I am anxious to learn how such circumstances are to be addressed under the new system.

Finally, on part 1 of the Bill, I welcome wholeheartedly the regulation of schools' retention of biometric data, especially the requirement for the consent of the parents and the child before such data are recorded. I do not understand why schools need to retain these data and I was rather shocked by the Library's estimates that 30% of secondary schools and 5% of primary schools already use such biometric systems. I would like to see official figures on this issue so that policy in this very sensitive area can be made on the basis of evidence. Is the Minister considering requiring schools to notify the Information Commissioner's Office if they intend to hold such data, and if not, will he tell us why not?

The surveillance regulation proposals in part 2 are well overdue. No one challenges the value of well-located, targeted surveillance, which has undeniable importance for crime detection and public safety, but there has been an exponential growth of CCTV and automatic number plate recognition systems, which has for the most part taken place outside formal regulation. The UK now has an estimated 5 million to 6 million surveillance systems. The British Security Industry Association claims that state-owned CCTV accounts for less than 10% of these and that

> "it is the privately owned surveillance systems that provide the majority of evidence in prosecutions."

It would therefore be helpful if the Minister clarified how the new code of practice will apply to privately owned systems and whether the "relevant authorities" mentioned in clause 33 will include private owners whose surveillance systems cover public areas.

Tom Brake: Often, one purpose of CCTV is to provide evidence and if a CCTV image is not of the appropriate quality, it cannot be used as evidence. Does the hon. Lady agree that some regulation of both public and private systems might help in pursuing cases against criminals?

Nicola Blackwood: I cannot imagine why the Government's understanding where surveillance systems are held and who holds them could in any way limit the improvement of justice in this country.

I also welcome the proposals in part 3 to insert judicial oversight in relation to the Regulation of Investigatory Powers Act 2000. This is an excellent start in reforming the confusing jumble of legislation dealing with access to communications data. However, we have some way to go before we have a system which tightly defines the reasons for which access can be granted—a particularly vague example of which is

> "the economic well-being of the United Kingdom"—

and which offers a straightforward legislative framework so that not only the bodies that use surveillance powers but the citizens who may be subject to them can clearly understand their rights and responsibilities.

I could go on and welcome the permanent reduction of pre-charge detention to 14 days, the reinstatement of the right to trial by jury and the progressive proposals on stop and search without suspicion, but the point is clear. In large part, the Bill returns the state's powers to common-sense levels and signals a significant step forward for the civil libertarians among us. The Bill is the answer to the calls of many in this country, including those who had felt, under the previous Government, that state abuse of power had reached a new low, that they had become guilty until proven innocent or that they were being forced to make a false choice between democracy and security. Of course there is a difficult balance to strike between liberty and security, and any adjustments need to be made with the utmost care, but there can be no doubt that in the past decade that balance had tilted much too far in the direction of security and away from civil liberties. That is why I support the Bill and hope that it will mark the end of the Government-sponsored fallacy that absolute security can be achieved by the unacceptable erosion of civil liberties.

8.32 pm

Naomi Long (Belfast East) (Alliance): Let me start by welcoming the broad thrust of the Bill, which has much to commend it. I believe that the protection of civil liberties, privacy and personal freedoms is incredibly important and is a fundamental building block of a democratic society, but it must be sensitively balanced against the need to provide security, safety and public confidence, which is where the debate hinges. As I said in an intervention, I am a volunteer with young people—an adult leader in Girlguiding—and I am particularly interested in the proposed changes to the vetting and barring scheme, on which I shall focus my remarks.

I agree entirely with the Home Secretary that we do not want to place unnecessary barriers in the way of people who wish to volunteer. Many youth organisations depend almost entirely on people who are willing to give freely of their time to benefit our young people, and those volunteers often find themselves caught up in an incredibly intrusive situation that can be a bureaucratic nightmare and incredibly off-putting. I hope that the Home Secretary agrees that our primary concern as we try to resolve those issues must be the safety and protection of young people and vulnerable adults. If there is a balance to be struck, the emphasis and greater weight must be on protecting the vulnerable; it is incredibly important that we do not lose sight of that. We must therefore proceed with a degree of caution as we try to change those protections and we should recall the context in which they were introduced. The earlier comments of the right hon. Member for Blackburn (Mr Straw) greatly assisted us in recalling some of the incidents that led to the introduction of the protections, their very serious nature and the public outcry that surrounded them when people felt that children were not being adequately protected from predatory adults.

Although no one would question the need to redress the balance, given that the pendulum has swung almost too far in one direction, we need to be careful not to take it too far in the other direction, but instead try to find some sensible balance. Most people would welcome simplification of the system—for example, a system of vetting and barring that would allow clearance in one role to be carried forward into other roles, rather than repeated checks being carried out on the same individual.

[Naomi Long]

However, if that is to happen, the detail of the Bill poses a challenge. People would still be checked only for the immediate role that they would be fulfilling and would not be able to carry those checks with them. That has not been addressed, but it is important to people who work with young children.

One of my concerns arising from reading the Bill is that if someone working in a non-regulated activity displays behaviour that would cause concern—behaviour which, were that activity regulated, could lead to their being barred—it is not clear that that would trigger a referral to the Independent Safeguarding Authority or to barring. My concern is that that individual could later move into a regulated activity, and young people would be left vulnerable.

A further area of concern to me is the treatment of 16 and 17-year-olds in the context of the Bill. The changes proposed appear to remove some of the protections afforded to 16 and 17-year-olds in matters of sport, faith and education. The young people with whom I work directly are aged 14 to 25 and therefore include that group. Despite the fact that they are entering adulthood, they are still young and vulnerable and they still require protection as children. They appear to fall into some kind of gap between regulated activity for children and the vulnerable adults provision in the Bill. I seek reassurance from the Home Secretary that that grey area will be clarified. We do not want children of 16 or 17 to become easier prey for predatory adults.

Finally, I want to examine the relationship between the Bill and what will happen in Northern Ireland. At present, with respect to vetting and barring schemes, England, Wales and Northern Ireland operate within a single framework. The reforms set out in the Bill are not proposed to be extended to Northern Ireland. The mix of responsibilities between the Department of Justice and the Department of Health, Social Services and Public Safety would largely cover the areas encompassed by the vetting and barring scheme. It would be a matter for the Executive and the Assembly whether or not to extend that to Northern Ireland by a legislative consent motion or an Assembly Bill, if they choose to do it.

However, there is significant merit in the Home Office pursuing with the devolved Administration every opportunity to maintain the common approach that currently exists, as that is one way to maximise protection for young people throughout the country. We would not want to see the protection reduced, and the Assembly would have the right, if it considered that the Bill would reduce protection, to go its own way on these matters. During the Bill's Committee stage and beyond, it is important for the Home Office to listen carefully to the concerns that are raised and to work closely with the devolved Administrations so that we can achieve a UK-wide consensus on this serious issue and maintain the common framework that has served us well.

8.38 pm

John Glen (Salisbury) (Con): One of the beliefs that unites Conservatives and Liberal Democrats is that the past 13 years of Labour Government saw a squeeze on civil liberties. The Leader of the Opposition admitted that the Labour Government were

> "too draconian on aspects of our civil liberties".

He is right. That is why the Bill is so welcome, trimming away, as it does, some of the vast undergrowth of legislation that has undermined our traditional liberties. DNA retention, CCTV, wheel clamping, vetting and barring have all become synonyms for the erosion of freedoms, and most people will be glad to see the Bill tackle them head on. However, there is something else that concerns a wide cross-section of the general public and, sadly, has not been addressed in the Bill: the way freedom of speech has been undermined by what we might call over-enthusiastic policing. It is often generated by the pressures of political correctness and causes officers to overreact to situations when no harm is being caused.

To voice one's opinion without fear of punishment or censorship is a fundamental human right. Without it, political action and resistance to injustice and oppression are impossible. It is a precious right, and we must not allow it to be undermined. Several pieces of legislation have been suggested for amendments to improve free speech, but I want to focus, as did my hon. Friend the Member for Gainsborough (Mr Leigh), on section 5 of the Public Order Act 1986, which outlaws threatening, abusive or insulting words if they are likely to cause distress.

As we have heard, section 5 has been at the heart of several high-profile cases in recent years. Liberty wisely took up the cause of a 16-year-old protester who was given a court summons by police for holding a placard outside a Scientology centre stating, "Scientology is not a religion, it is a dangerous cult". The boy claims that police told him that he could not use the word "cult". City of London police gave him the court summons and confiscated his placard after he refused to take it down. They referred to the Crown Prosecution Service an allegation that the sign was "abusive or insulting". When Liberty took up the issue, there was widespread criticism and the CPS dropped the case. As my hon. Friend the Member for Gainsborough has said, the defence of the existing law has been that guidance can be given to the police, but it did not work and has not worked in a number of cases.

Dale Mcalpine, a Christian street preacher, was arrested in Cumbria for answering a question from a police community support officer about his views on sexual ethics. He said that the Bible described homosexual conduct as a sin. He was arrested and detained by police for nearly eight hours. Even the president of the National Secular Society has said that the police response was ridiculous and over the top. I find myself in agreement with the renowned campaigner, Peter Tatchell, who said:

> "If offending others is accepted as a basis for prosecution, most of the population of the UK would end up in court."

He is quite right.

In a similar case, another street preacher, Anthony Rollins, was arrested, handcuffed and kept in a police cell for four hours after a passer-by was offended by him reciting a biblical list of those who would not inherit the kingdom of God. I am a Christian, and personally I might not agree with that method of evangelism, but the idea that someone can be arrested for reading from the Bible in public is very worrying. Once again, the guidance from the Association of Chief Police Officers did not work. Mr Rollins got help from a Christian campaign group, the charges against him were dropped and they helped him bring a legal action against the police. The court decided that Mr Rollins' right to freedom of religion and freedom of speech had been breached, that he had been wrongfully arrested, had suffered assault and battery by being handcuffed and had been unlawfully detained. However, the police are appealing against that ruling. Despite everything, West Midlands police think that section 5 of the 1986 Act allows them to arrest street preachers for reciting the Bible. Clearly, the police have difficulty applying the law and the guidance that the Home Office says should deal with the problem.

As my hon. Friend the Member for Gainsborough said, some cases are just plain ridiculous, and it is astonishing that the police waste time with them. In 2006, demonstrators in Worcester protested against seal culling by using toy seals coloured with red food dye—a harmless way of making a point. They were, however, threatened with arrest and the seizure of their property under section 5. The police told them that the toys were deemed distressing by two members of the public, and they ordered them to move on. Ridiculous.

As the grandson of a police officer, I feel sorry for the police. They have to make extremely tough decisions day in, day out, and often under the most extreme pressure. They are criticised by all sides for being too rough, too soft, insensitive or over-sensitive. They just cannot win, and the media rarely give them a break. I do not want to run down the police. I want to focus on what we as legislators can do to avoid putting them in the situation where they have to decide whether a complaint from someone who feels insulted should result in an arrest.

Mr David Burrowes (Enfield, Southgate) (Con): My hon. Friend is making an important and strong case. Is he aware that, before he became a Member, whom we welcome, the House was occupied with debates about public order, particularly when dealing with cases of homophobic hatred? Many examples were cited and many concerns were expressed about application in that case. Such examples illustrate the problem with section 5 and its wide interpretation, and the need for us to take a proper, thorough look at it. This is an important opportunity to do so.

John Glen: I am grateful for my hon. Friend's intervention. He makes a powerful point and underscores the fact that this Bill should take account of that anomaly. It is unfortunate that it does not.

We have to ask ourselves, "Should the law really criminalise insulting words?" Surely insult is in the eye of the beholder, so how can the police be expected to regulate that? Abusive behaviour is clear-cut: we all know it when we see it, and it is right that the law addresses it. Threatening behaviour is absolutely unacceptable, and we need laws to tackle it. But "insulting"? What would debate be like in this Chamber if an hon. Member could be silenced by an allegation from another hon. Member that he felt insulted by what was said?

In July last year my right hon. Friend the Deputy Prime Minister told us that this Bill would

> "protect hard-won liberties and repeal unnecessary laws".

The Government have made a good start, but they should seize the opportunity that the Bill presents to bolster freedom of expression by removing "insulting" from section 5 of the 1986 Act. There will be freedom from wheel clampers, but no freedom of speech. It does not make sense.

8.48 pm

Priti Patel (Witham) (Con): It is a pleasure to follow my hon. Friend the Member for Salisbury (John Glen). I shall focus on certain aspects of the Bill, some of which have already been covered, but the pertinent point about freedom of speech has not been lost on the House or, no doubt, the Minister. My hon. Friend certainly made that point very well.

I welcome the Bill not only because of the measures that it introduces, but because it is another demonstration of the Government's commitment to reversing the intrusiveness of Labour's big-state, big-government approach to running the country. As right hon. and hon. Members know, the more the state does and the larger the state is, the more powers it inevitably takes away from individuals and the more control it exercises over the public. This legislation sits alongside other Government Bills in taking away powers and control from politicians and bureaucrats and restoring them to the people. I think that that is welcome. It is also a hallmark of a Government who trust people and respect the majority of the law-abiding public instead of automatically treating everyone with a degree of suspicion. By contrast, for 13 years the British people not only had to put up with the previous Government's "nanny knows best" attitude but had to face the burdens of a Government who were prepared to ride roughshod over civil liberties.

Part 1 of the Bill deals with powers of entry. Despite their claims to support and promote human rights, the previous Government seemed to neglect the rights of individuals to enjoy a private life. It is obscene that the state can exercise some 1,200 different types of powers of entry, with an estimated 20,000—this is probably a conservative figure—unaccountable town hall officials having the right to enter private property without a warrant. There are powers to check anything from the height of hedges, to plant passports, to the energy ratings on people's refrigerators, and even, bizarrely, households containing dancing bears without a permit. This system has been left unchecked for far too long and has expanded to erode people's freedoms. I therefore welcome the new measures in the Bill to enable Ministers to review the powers of entry and then repeal those that are absolutely unnecessary or inappropriate, or to include the relevant safeguards. Having such powers on the statute book and open to abuse not only represents an attack on people's privacy and freedoms but undermines the occasions when there may be a genuine need for powers of entry to be exercised.

Part 2 covers surveillance and CCTV. We hear about bin inspectors going through people's rubbish, CCTV cameras pointing at people's homes and being utterly intrusive, councils using powers designed to prevent terrorism to snoop on people, and other frivolous acts of espionage on the private lives of our constituents.

Bob Russell (Colchester) (LD): Part of the hon. Lady's constituency includes the borough of Colchester. Does she accept from me that there is a code of practice for the CCTV security cameras in Colchester town centre that prevents any of the intrusions that she is talking about? Only public areas and public buildings are covered, not private dwellings, which is particularly important where we have residences in town centres.

Priti Patel: I thank the hon. Gentleman for his comments. I absolutely agree. This shows not only the extent to which we need the Bill but the extent to which some of these powers have got out of control. CCTV must be focused on the correct areas and used in the right way. In relation to CCTV and many of the other areas covered in the Bill, the state has gone too far and has too many intrusive powers. It is shameful that the UK is now regarded as the only endemic surveillance society in Europe, placing us alongside China, Russia and Malaysia.

Although there will often be a fine line between the need, on one hand, to protect the freedom and privacy of individuals and, on the other, to curtail those protections for the benefit of the wider public interest, I welcome the new safeguards on liberty in the Bill, rebalancing the law in favour of our freedoms. It creates standards for the use of CCTV through a code of practice and a surveillance camera commissioner, and that provides more transparency and accountability, which is to be welcomed. I look forward to reading the commissioner's report in due course and seeing where local authorities, in particular, and other organisations are in breach of the code and, in effect, wasting taxpayers' money by being far too over-zealous in their surveillance activities.

However, I also believe that CCTV has a very important role to play in the fight against crime, and these measures have the potential to strengthen its effectiveness. Can the Minister therefore give an assurance that the code will also recognise the benefits of some key and vital uses of CCTV? Perhaps that can be done under clause 29(3)(a), which relates to the provisions in the code about

"whether to use surveillance camera systems".

In the commissioner's report, perhaps the details on best practice could include how CCTV is being used effectively to detect and prevent crime.

I also say to the Minister that my constituents obviously do not want to move away from the use of CCTV to the point of being overly cautious and fearful of using the technology. We have heard examples from the constituencies of many right hon. and hon. Members. I trust that, in drawing up the code, the Minister will take these points into account. On Friday, when I meet Witham Industrial Watch, a group of businesses that has come together to introduce CCTV across Witham's various industrial estates, it will want an assurance on this matter. In particular, it will want to hear that we will not create unnecessary burdens on businesses or small shopkeepers who use CCTV in the right way to protect their business interests, staff and property from theft, damage and attack.

Finally, I congratulate the Government on the provisions to restore common sense to the vetting and barring system. We have heard a great deal about that aspect of the Bill in this debate. I am interested in this matter in relation to volunteering, engagement and participation in our communities. We have heard endlessly, for years and years, about the additional cost and bureaucracy of the system, and about how it prevents people from participating in our communities. In my view, that is a bad thing. Change is long overdue to bring back some common sense. I have heard the various views this evening and although we should never water down safeguards and protections, I think that the previous system—Labour's system—had more to do with treating everybody with a degree of suspicion and almost like criminals than with protecting children and vulnerable groups.

Neil Carmichael (Stroud) (Con): I am grateful to my hon. Friend for raising this issue, and I think there is another element to it. Too many employers seem to think that because CRB checks are made, they do not have to make checks themselves. We must be alert to that danger.

Priti Patel: I agree absolutely on that point. There is no doubt that this issue needs some rebalancing and some common sense. This system has had a devastating impact on people who have been wrongly referenced. There should be a more proportionate approach. Hopefully the mistakes will be reduced as well. I want to see measures that protect the vulnerable and our children. This Bill is a step in the right direction and it is a proportionate response in this area.

8.58 pm

David T. C. Davies (Monmouth) (Con): We have heard from many people on the Government and Opposition Benches for whom I have the utmost respect, including from my hon. Friend the Member for Witham (Priti Patel). However, I do not share the enthusiasm of all Government Members for all aspects of the Bill. There are many parts with which I heartily agree, and we have heard a few examples of areas where the current legislation has gone wrong.

Years ago, I was involved in a case in the Welsh Assembly in which a bus driver who worked for a company that undertook school bus runs was told that he might lose his job because 20 years previously he had incurred a minor conviction for shoplifting or a drink-related offence at the age of 19. For 20 years, he had lived a perfectly good life and suddenly he was about to lose his job over that minor offence. Clearly, such examples are totally and utterly disproportionate and I hope that we will do something about them.

I am less keen when I hear people talking about a police state. I declare an interest as a serving special constable in the British Transport police. I assure Members that when I go out it does not look like a police state. I have conducted many section 44 stop and searches, and I do not recognise the descriptions that have been given. I would challenge the hon. Member for Carshalton and Wallington (Tom Brake), who is not currently in his place, to ask the gentleman who says that he was stopped and searched every time he stepped out on the streets of London to produce the written evidence. Written evidence there most definitely will be, because every stop and search of that nature required about 20 minutes of paperwork.

One problem with section 44 stop-and-searches was that they were carried out entirely at random and were never actually picking people up. The police officers themselves were not enthusiastic about doing them, because they knew that they would annoy a member of the public who was probably not doing anything at all, incur at least 20 minutes of paperwork and be most unlikely to get anyone for anything.

Section 44 is going, which is fine, but the Government ought to consider the fact that the other stop-and-search legislation is not adequate to catch people who are clearly breaking the law. For example, on many occasions—

I assure Members that I mean many, many occasions—I have stopped people for committing offences that were never going to be arrestable. The first thing that a police officer does in that situation is to check whether the person in question is known to the police for anything and whether they have a previous record. Very often it turns out that they do, and that there are warning markers indicating that they regularly carry knives, guns, drugs or other illegal paraphernalia.

At that point, faced with somebody who has committed an offence that will not get them arrested—perhaps begging or abusive language—but who regularly carries guns, knives or drugs, one would think that the officer would have the power to search them, but they do not. Unless the police officer can actually see the knife or drugs sticking out of a pocket, there are no powers to search somebody. The officer cannot take account of a person's previous record. If we are going to get rid of section 44 stop-and-search powers, which is absolutely fine, we should at the same time ensure that people who are likely to commit offences or carry illegal apparatus can be properly searched.

We need to let the police know that when they see people acting suspiciously, they will still the have the power to stop and search. A lot of police officers, myself included, having undergone courses such as the behaviour spotting one—it is called BASS, but I will not bore Members with the details of what that means. It is about spotting people behaving in a suspicious fashion. Many police officers I have spoken to still feel uneasy about simply going up to somebody to stop and search them, even if they have been displaying obvious signs of acting in a manner that is likely to mean they were about to commit an offence.

Members of the public might feel that the police are for ever stopping and searching them—every time they go out on the streets of London, according to one Member—but police officers actually feel very nervous about going up to people to stop and search them. They feel that they are likely to get complaints if they do so. I hope that my hon. Friend the Minister will think about that. I have tabled amendments in the past suggesting that officers should be able to take account of somebody's previous criminal record in deciding whether to conduct a stop and search, but I have not succeeded thus far. I do not know whether I have any more chance under the current Government than under the previous one—I suspect possibly not.

Tom Brake: The hon. Gentleman has referred to me both since I came back into the Chamber and, I understand, while I was not here. I would be very happy to introduce him to the baroness in question at the other end of the building, who will explain to him precisely what her son-in-law experienced. Then he will be able to make his own judgment.

David T. C. Davies: I would be delighted. I believe the hon. Gentleman said that every time that baroness's son-in-law set foot on the streets of London, he was stopped and searched. The first thing that I would ask him would be, "Did you ask for the copies of the pink slips that have to be lodged every time you are stopped and searched?" If he was stopped and searched there will be a record of it, and we should be able to prove whether that happened every time he set foot on the streets of London. I look forward to pursuing the matter.

The issue of previous criminal records brings me to that of DNA, on which I have some sympathy with Opposition Members. I do not think that there was anything fundamentally wrong in collecting people's DNA. I have done it myself, and I will be quite honest in saying that I am not sure that the Government have got it right. I asked the Home Secretary earlier whether she accepted that, as a result of the change, people who had committed crimes would be able to get away with it. She said that that was not true. I have the utmost respect for her, but I am very direct and I must say that I do not believe that and cannot accept it.

We see in the Bill that the Government have decided that anyone who is arrested for specific types of offences—terrorism, drugs, violence, rape and that sort of thing—will have their DNA kept indefinitely if they have a previous recorded offence. The Government recognise that keeping people's DNA is useful when they have been arrested for offences such as murder, rape, violence or terrorism even if they are not convicted, which I welcome. However, it surely follows, therefore, that DNA can also be useful in respect of less serious offences, such as burglary or taking a vehicle without consent. We should make it clear to members of the public that we are increasing their rights and liberties, but that there is a cost—that is obvious, and we should be honest about it. One cost is that some burglars and car thieves will not be caught.

Anna Soubry (Broxtowe) (Con): Does my hon. Friend agree that the Bill is about striking a balance between maintaining law and order and ensuring that crimes are properly investigated, and maintaining civil liberties and ensuring that we do not live in the sort of society in which people who are completely exonerated of the smallest misdemeanour find that their DNA is kept for ever or even for a considerable period? The previous Government got that balance wrong, and this one are putting it right.

David T. C. Davies: One's DNA might be kept for a long time, but that would be irrelevant if one did not go out and commit another offence. If one did, one would be arrested.

I agree, however, with my hon. Friend's general point on the balance. The previous Government may have got it wrong—they have accepted as much—but we should also look at the context in which they took some of their decisions. The terrible tube bombings in 2005 caused people to think long and hard about it, and perhaps it always changes. To be philosophical for a moment, would my hon. Friend rather live in a failed state where there is no police presence or law and order whatever, or in a rather unpleasant dictatorship of the sort that we currently see falling in north Africa? Although that is not an easy choice, most people would rather live under Mubarak in Egypt than under whatever passes for a Government in Somalia, because at the end of the day, security is one of the most important things that people have—without it, we have nothing.

The only general complaint that I have heard about CCTV and surveillance cameras is that there are not enough of them, but I accept that the police and some local authorities have recorded people inappropriately. The police have a great deal of paperwork to fill out before they can use surveillance cameras on people, but I am not sure about local authorities.

[David T. C. Davies]

The stringent new rules will presumably stop the police targeting criminals and local authorities from targeting the ubiquitous karate instructor who claims disability benefits, but will they apply to newspaper editors? This is a serious point. As I said, men who have had consensual sexual relationships with other men will no longer have to declare that as an offence—and quite rightly; that is one of the many measures in the Bill with which I agree. However, what if a newspaper surreptitiously films people having consensual sex, and because they are in the public eye, publishes the details and puts the film on the internet? I suggest that if anyone else tried to do that in any capacity, they would quite rightly find that they had breached a law—yet newspapers get away with it. Will the Home Secretary assure us that, in future, newspapers will have to abide by the same codes and laws that are and will be applied to local authorities that are looking for benefit cheats or police officers who are looking for criminals? Benefits cheats and criminals should be targeted far more stringently than footballers who have slept with somebody to whom they are not married.

I have one final point on that. I notice that some sort of ombudsman or commissioner will be responsible for ensuring that the rules on surveillance cameras are applied, but they will have no powers. They will have the ability to say, "I think that that was wrong," but they will not have the ability to do anything about it. However, they will have a salary of £250,000 a year. That is extraordinary, given that Members of Parliament have been told to change the law to ensure that we do not get any salary increase at all. We are being paid £65,000 a year, and if it is good enough for us, it should be good enough for whoever is put in charge of this rather toothless surveillance camera body. I would like an assurance from the Government that we are not putting through a Bill that will get rid of a lot of quangos only to create a job that will pay £250,000 a year. Mind you, there will be quite a few MPs looking for jobs in four years, so perhaps one of us will be the lucky one who gets the £250,000 salary.

Last but not least, a few people have got the wrong idea about the police. I know that you might think that I am a bit biased—not you, Madam Deputy Speaker; I forget the correct use of language or terminology. However, I am sure that most people will understand that the police have a very difficult job to do. One hon. Member went out with protesters during the G20 riots. I was out with the police the day before. I turned up for duty on the day, but spent most of my time sitting in a police station, drinking tea and watching the events unfold on Sky—such is the way when we sign up for these things. However, I went out the night before, and I was threatened by people. I knew that the police were outnumbered and felt very threatened. Police officers are human like everybody else. They get scared when confronted by people, when they are outnumbered 10 to one and when people are throwing iron bars and trying to attack them, and I think that we should show a little bit more understanding when we talk about a police state, and realise that the police are very often the victims of crime, yet also end up as the people about whom complaints are made. I hope that everybody in the House recognises the very difficult job that the vast majority of them do courageously and well.

9.11 pm

Bob Russell (Colchester) (LD): I shall support the Second Reading of the Protection of Freedoms Bill, although I hope that some of the reservations I am about to express will be taken note of in Committee. There are at least two unintended consequences in the Bill concerning not so much the protection of freedoms for the law-abiding, as making life so much better for two categories of antisocial people. The first are those who park illegally on other people's property, and the second are those who cause undue misery with late-night parties and so on. I cannot believe that there is a single Member here who has not had casework from constituents complaining about late-night noise or antisocial noise on summer afternoons. If the Bill passes as proposed, with its subsections and so on, I regret to say that it will be an open invitation for the antisocial noise people to up their game in the confident knowledge that local authorities will have fewer powers at their disposal to deal with them.

I will, however, begin with the wheel-clamping provision, which has been added to the Bill because—I think—it was here to have things added to it. I am not here to defend the rogue firms of wheel-clampers. I do not think that anyone in the Chamber is prepared to speak up for those cowboys, although I always think that to describe them as that is an insult to cowboys. Nevertheless, there are companies and individuals who have abused the wheel clamp, which used correctly and in the right way is a tool that helps the law-abiding.

The Minister for Equalities started this debate on 17 August last year. I have raised the matter on the Floor of the House before and spoken to her, so I am not saying anything that will come as a surprise. She announced that the freedom Bill would provide for an outright ban on clamping on private land, where it is carried out by private companies. I can just about understand that if the private land is a commercial property, but I am not sure about the idea when applied to private land owned by individual householders. At the moment, the Bill proposes that if somebody parked in the Minister's drive, he would be restricted in the action that he could take to deal with the problem.

I want to quote the case of the Balkerne Heights residential area, which is right next to a multi-storey car park on the edge of Colchester town centre. The communal parking for the area's housing became a magnet for illegal parking by late-night revellers, weekend shoppers and so on. The notion that polite requests not to park in people's private parking areas will be acceded to is a little optimistic. The people causing the problem generally responded with certain words, the second of which was "off". The only way that those parking abuses were dealt with was through the introduction of the wheel clamp. I would say that the Minister's front drive is exactly the same as the communal parking area of people living in flats or communal housing. It is their drive: it is where they park their cars.

Jacob Rees-Mogg (North East Somerset) (Con): Looking at the Bill, it is clear that people will be able to close their gates and stop somebody removing a car that way. There is implied consent to allowing a restriction under clause 54(3)(a), and if the case is broader than that, the people or the commercial organisation involved can apply to the council to come and do the clamping for them. I think the problem that my hon. Friend is worried about is covered.

Bob Russell: I hope that my hon. Friend is correct in his understanding, but that has to be spelt out in the Bill, because it is not my understanding. If he is right, no problem—but if I am right, there is a problem. That is exactly the sort of thing that needs to be fleshed out and firmly written down, because clause 54(3)(a) refers to cases where

> "there is express or implied consent by the driver of the vehicle to restricting its movement by a fixed barrier".

Whether the barrier is up or down is irrelevant. Currently, the local planning authority may well refuse an application to start erecting barriers in carefully designed new housing areas, with landscaped grounds and all the rest of it, but if the Bill goes ahead, they will have to erect barriers to meet the very point that has quite rightly been made. Those are the unintended consequences.

I would argue that if residents living on a private housing estate with their own private communal parking areas wish to put a wheel clamp on, why can they not do so? It is an extraordinary state of affairs when the coalition Government are putting forward a Bill with a clause that would give more rights to the illegal parker than the person who owns the land where the car is illegally parked. The notion that residents could run off to the Driver and Vehicle Licensing Agency or whoever else to get fines paid, and all the rest of it, is fanciful. Therefore, with the greatest of respect, what I would say is that more work needs to be done on that one.

The House of Commons Library has produced some excellent research—as ever, by the way—on the Bill. If Members who have the briefing would care to look at pages 26 through to 28, they will realise that the authors of the Bill need to dot a few i's and cross a few t's in Committee, because—I repeat—what we have at the moment is an opportunity for those who want to park illegally in other people's private, communal, residential parking areas to do so almost with impunity. Under a heading entitled "The Bill's provisions", the research paper tells us:

> "The Government had not previously indicated that there would be any parking-related measures in the Bill, or in fact that it was planning to make any changes to parking regulation at all."

Therefore, those provisions have been bolted on. People who live in town centres have the advantages of the town centre, but sometimes one of the disadvantages is people coming into town, not parking where they should and abusing other people's private parking areas. I ask the Minister to address that issue in Committee. I understand the need to tackle rogue wheel-clamping firms, but, with the greatest respect, I think that private home owners should have the right to use wheel clamps on vehicles parked on their private property, whether it is a private drive or a communal parking area.

The second unintended consequence of the Bill relates to those people whom we all love and who delight in causing problems for their neighbours by, among other things, having all-night parties. Chapter 2 of the Bill covers safeguards for certain surveillance under the Regulation of Investigatory Powers Act 2000. I am grateful to the Chartered Institute of Environmental Health for drawing my attention to the serious consequences of these provisions. There cannot be a Member here tonight who has not been contacted by constituents as a result of noisy antisocial neighbours.

As an aside, I would like to make an important observation as the former chairman of the all-party parliamentary group on noise reduction. I wish that the coalition Government would introduce regulations to require greater noise insulation in new house building. A lot of attention is paid to heat retention in such buildings, but nothing is done about noise elimination. Perhaps another Government Department could pick that one up.

It has been suggested that the Bill has been prompted by claims in the popular press of unjustified snooping by local authorities, because it contains provisions to restrict the surveillance activities of those authorities by inserting additional tests into the Regulation of Investigatory Powers Act. One such test would require authorisations given by senior local authority officers to be approved, in addition, by a magistrate. That would make the process of authorisation more time consuming, and it would make things harder for increasingly stretched authorities—not least at night, when most complaints of this nature are made. The likely outcome of the proposal is that many fewer noise complaints would be investigated.

Anna Soubry: Does the hon. Gentleman agree that such matters are not the domain of local authorities? The last Government made a big mistake when they mixed up the role of the police with the civil functions of local authorities. I suggest that problems of noisy neighbours holding late-night parties are the domain of the police, not the local authority.

Bob Russell: I do not think that I can agree with the hon. Lady on that. We are talking about authority in its broadest sense, whether it involves the police, the local authority or whoever. The public are entitled to live in peace, and if their peace is disrupted, the matter could be dealt with by the police or by the local authority. The two working in concert would be the best way; that has always been the way in which I have approached these issues.

The Bill proposes a further test that the crime that is to be prevented or detected should carry a minimum prison sentence. Noise offences do not, however, carry custodial sentences, and the effect of the provision would be to remove that ground for authorising surveillance. This matter needs to be thrashed out in Committee, because RIPA was never intended to deal with problems such as these. At a time when local authorities are shedding significant numbers of officers, they will need to become more efficient in order to maintain services. I have no argument with that, but barriers to achieving it will need to be removed, rather than new ones being erected. When there is no evidence that noise investigations are being carried out inappropriately, additional controls are neither justified nor in the public interest. I suggest that we should take the opportunity in Committee to remove them from the ambit of RIPA altogether.

I am sure that many of us will have read the letter in *The Times* yesterday from Mr Howard Price, the principal policy officer of the Chartered Institute of Environmental Health—*[Interruption.]* Well, Members are going to hear it now. It says:

> "The Protection of Freedoms Bill is about to receive its second reading. It contains provisions to amend the Regulation of Investigatory Power Act...to limit the surveillance activity of local authorities by requiring authorisations made by senior

[Bob Russell]

> officers to be approved in addition by magistrates. Hundreds of thousands of neighbour noise complaints are made to local authorities each year. Listening to such noise in the course of investigation amounts to 'surveillance' under the Act and arguably requires authorisation. The Bill will make that more time-consuming and harder for authorities to obtain, especially at night when most complaints are made. Complaints will go unanswered. RIPA was never intended to apply to this activity. It will be a further unintended consequence if this Bill protects the freedom of noise-makers over that of householders wanting only a peaceful night's sleep. Noise investigations should be excluded"—

Madam Deputy Speaker (Dawn Primarolo): Order. The hon. Gentleman may provide us with a quotation, but I do not think we need him to read out the entire letter. He can make his point quite succinctly now, as we still have a few more speakers wanting to contribute.

Bob Russell: I am grateful, Madam Deputy Speaker. I accept what you have said and I shall now sit down as I had only 10 more words to go.

9.26 pm

Mr William Cash (Stone) (Con): I fear that the "Protection of Freedoms Bill" is not really what it says on the tin. People might think that the Bill protects freedom, but I am afraid to say that it does many things that are not apparent in its provisions. In particular, one of the greatest freedoms we need to protect is the right to decide our own laws and, indeed, to ensure that the judiciary complies with the will of Parliament. Unfortunately, on close examination, I found that the Bill's content is to do with the upholding of European Court rulings. That is where the problem lies, and I fear that some hon. Members may have missed the wood for the trees. This is entitled the Protection of Freedoms Bill, but it would be far better to describe it as the "Subjection to European Rulings Bill", as one case after another simply endorses decisions taken by the European Court. By that, I mean the European Court of Human Rights in particular.

We recently debated the rights of prisoners to vote, and the result of the Division on the motion was 222 to 15. Unfortunately, I could not be here. I am sorry to have to admit this, but I was working as Chairman of my Select Committee in Budapest. However, I thoroughly endorse what was said in the course of that debate on prisoners' votes, but there is no reference to prisoners' votes in the Bill. The Bill has skipped that one; it is waiting for another occasion. The reason is quite simple: the coalition Government know that idea of including prisoners' votes as one of the freedoms in this Bill would be catastrophic for them. That is not to say that we should endorse the Bill's reference to other European Court rulings contained in the provisions, but not set out in the Bill. Unless hon. Members have read much of the background material and case law, it is impossible for them to know exactly how much this Bill offends the principle endorsed by this House by 222 votes to 15.

Let me provide some examples. Given that we have only recently come back after a recess, I doubt whether people have had a chance to read the Home Office memorandum on the Bill, and some may be more interested in its detail th[illegible] others. I find that detail often throws up one or two of the unfortunate aspects of the manner in which Governments—and the coalition Government in particular—operate. The memorandum says:

> "This is a human rights enhancing Bill."

No, it is not; it is a European Court of Human Rights enhancing Bill. I refer to cases such as the S. and Marper case which related to the retention of fingerprints and biometric data. I would like to see such matters properly dealt with in legislation, and the same applies to the stop-and-search provisions, to which the Gillan and Quinton case relates. Why can we not legislate on our terms in this House? Why must we subject the House to legislating to implement the rulings of the European Court of Human Rights, when we have no reason whatever for not legislating on our terms? Putting it in statute form means that the matter goes to our courts for an interpretation of that legislation. Then, in the interpretation of the legislation, our own courts, either at first instance or more likely in the Supreme Court, apply the European jurisprudence.

I remind the House of a point that I have tried to make in debates over a long period and of a speech by the Lord Chief Justice, Lord Judge, who said that we must beware of the manner in which our legislation is being subjugated to Strasbourg decisions. He warned the judges, "Brothers and sisters, beware of applying the decisions of the Strasbourg court." *[Laughter.]* Brothers and sisters, comrades!

The manner in which the implementation will happen is a form of Trojan horse. I would want to see many of the problems that the Bill raises dealt with by legislation, to ensure that people were not unfairly stopped and searched or that children got the proper protection. However, it should not be done through this vehicle. By not eliminating the European convention on human rights and the Human Rights Act formula, we give ourselves over increasingly to the Europeanisation of our law-making and the judicial claims made in the Supreme Court at the expense of the House. Effectively, we are digging our own grave.

At the same time, I hear and read that the Government are becoming more "Eurosceptic"—I do not know what that word means; Eurorealist is much more to the point.

Ms Louise Bagshawe (Corby) (Con): Is my hon. Friend not in danger slightly of over-egging the pudding? I share many of his concerns about European law, but does the Bill not attempt to address some domestic injustices, and should we not support such a step in the right direction?

Mr Cash: As I said, I am extremely glad that many of the provisions are being dealt with, as they needed to be dealt with—but not in this manner. Notwithstanding the Human Rights Act, if it was done as my Bill on terrorism will provide, for example, we could preserve habeas corpus and avoid all the difficulties that have arisen in relation to control orders and pre-charge detentions, on our terms. That is the way we should be going, but that is for another day.

The Bill takes us in the wrong direction. As I said in an intervention on the Home Secretary about powers of entry, the Library note states that

> "around one third of these powers of entry derive from regulations made under the European Communities Act 1972."

The Home Secretary said it was important for us to get rid of many of the 1,272 powers of entry, but, as I pointed out to her then, it is essential for us to get rid of the regulations made under the European Communities Act 1972 as well. I think she would have accepted that, had it not been for the existence of a rather considerable problem: we cannot get rid of the regulations made under the 1972 Act without expressly providing in the legislation that, notwithstanding the Act, we should act in that way. There is an element of what I would not describe as hypocrisy, but would certainly describe as contradiction, in the principle behind the Bill.

I could give many other instances of overlap with the European Court of Human Rights, but I shall merely observe that I think it extremely unfortunate that this is being sold as the Protection of Freedoms Bill when, for practical purposes, it is taking us further and deeper into European integration. I say that without really wanting to have to say it. It would be easy to step back and say, as my hon. Friend the Member for Corby (Ms Bagshawe) said just now, that it does some good. Indeed, I have heard many Members say that there is a great deal of good in it. However, as I said to the Home Secretary earlier, although there may be good intentions behind it, we must ask ourselves what kind of law we want in this country.

When the Supreme Court speaks of the rule of law, I ask yet again: which law, and who will enforce it? We already know that there are serious problems, but here is another one. In one of the cases in question, after the House of Lords had made its judgment the Supreme Court was brought in, and, because the European Court of Human Rights had made a decision in the meantime, decided to endorse that decision rather than the decision made by our own courts. Some very difficult questions arise. There seems to be an increasing tendency for the Supreme Court to assent to the manner in which the European Court of Human Rights makes its decisions, effectively moving into a new arena in which what Parliament may decide is overridden, and making decisions that are not necessarily what the electorate expected when they elected us as Members of Parliament.

Let me also mention, in parenthesis, the accession of the European Union to the European convention on human rights. As I discussed the issue during our debates on the European Union Bill, I shall not go over the territory again, save to say that it creates a great deal of uncertainty about which of the jurisdictions will prevail. I regret to say that I believe that what is happening in the Bill is not what was expected to happen. Some commentators may misunderstand it, but the truth is that if we do not get the principle right—the principle of who rules—we will find ourselves drawn increasingly into a web that is growing all the time, involving the sovereignty of the House and decision making.

I believe that this is entirely deliberate. I am absolutely certain that the Home Secretary has been properly briefed. I think that she knows exactly what is in her Bill. I think that she wants it, I think that she is determined to have it, and I think that the coalition is completely and utterly convinced of its merits. Indeed, the Home Secretary said the following in a statement on the judgment in the Gillan and Quinton case:

> "The Government cannot appeal this judgment, although we would not have done so had we been able."—[*Official Report*, 8 July 2010; Vol. 513, c. 540.]

This is therefore about an attitude of mind: it is about there being a determination to go down a certain route, irrespective of the consequences for how we in this House legislate. I therefore simply say that I think there are many good reasons for adapting some of the provisions that are currently on the statute book, but the key is how we do it. The crucial point is that if we do it the wrong way, all we will end up doing is reducing the right of this House to legislate for itself.

9.40 pm

Clive Efford (Eltham) (Lab): We have had a very lively debate, and I hope Members will forgive me if I cannot respond to every point that was made. We heard from the hon. Member for Gainsborough (Mr Leigh), my right hon. Friend the Member for Blackburn (Mr Straw), the hon. Members for Dartford (Gareth Johnson) and for Strangford (Jim Shannon), my hon. Friend the Member for Airdrie and Shotts (Pamela Nash), the hon. Members for Oxford West and Abingdon (Nicola Blackwood), for Belfast East (Naomi Long), for Salisbury (John Glen), for Witham (Priti Patel), for Monmouth (David T. C. Davies) and for Colchester (Bob Russell) and, last but not least, the hon. Member for Stone (Mr Cash). The question I ask myself, however, is: where is the Deputy Prime Minister? We were told that sweeping away all these measures was going to be his big achievement in government. Having heard all the rhetoric, I was expecting to see the right hon. Gentleman burst the doors open and ride into the Chamber on a trusty white steed, with his shield of truth and his sword of virtue, telling us he was going to lead us all to some promised land of freedom.

Sadly however, that was not to be the case. All we have had is a handful of Liberals in the Chamber all evening, but we would have thought they would be piling in to support this Bill since it is their key platform—it is the major plank of their contribution to the coalition Government. *[Interruption.]* Well, that is the source of the Bill. We support some aspects of it, as some of them are sensible, yet there are others on which we will want to ask questions and some on which we will challenge the Government position.

Throughout the debate, we have heard Members say that this is about balance, yet first and foremost, it is about balancing the coalition and appeasing Liberal Democrat Members. It is also about the need to hold together the coalition, and I wonder what some of the Tory Members, who are shuffling uncomfortably in their seats, will do when they are asked to vote for measures that in normal circumstances they would not support.

Over the past few decades, this House has been called on to act to protect people in the face of threats of many kinds, and to legislate on matters such as those addressed in this Bill. Public opinion has been strong on many of them, including the threat from international terrorists who have carried out atrocities on an unprecedented scale, increased concerns about public protection and the protection of children and vulnerable adults, the proliferation of closed circuit television, and freedom of information. At the same time however, new technology and advances in science have challenged us to legislate on, and regulate, their uses. We have faced demands for new scientific and surveillance techniques to be made available to those charged with the task of keeping the public safe.

[Clive Efford]

This debate, like those that have gone before it, is about the balance that should be struck in respect of the civil rights of ordinary citizens to live without fear of harm or interference or becoming a victim of crime, and the need to protect the civil liberties of those individuals and hold back the state from intruding in their private lives. Events have led us to legislate on the issues we are debating today. We will be judged on our actions in respect of these events, the balance to be struck and the issues addressed in the Bill.

We have heard from Members on both sides of the clamping argument. The hon. Member for Colchester spoke very forcefully. The residents of one estate in my constituency are concerned because they live close to a railway station where commuters want to park and they fear that their estate will be turned into a car park. By contrast, a private road in my local town centre is policed by a cage fighter in a van who sits at the bottom of the road like a trapdoor spider waiting for anybody to park illegally on that private land. So a balance needs to be struck on this issue.

The same is true on the use of biometric information in schools. Labour Members accept that it is sensible for parents to be consulted and we welcome the proposal. However, on protecting individuals' rights in schools, these powers have been used to protect young people who receive free school meals from being identified and stigmatised. So as much as we may want to see this sensible change made, we will want to see how far it goes in protecting the rights of those individuals too.

On the Regulation of Investigatory Powers Act 2000, CCTV and surveillance, councils have played a vital role in creating public areas that the public consider to be safe. Such measures have been used to tackle issues relating to speeding cars, town centres and antisocial behaviour. So our attempts to legislate to regulate the use of CCTV and surveillance must not limit the ability of local authorities to play their important role in ensuring community safety. I have never had anyone come to me asking for the removal of a CCTV camera, and many colleagues have said the same.

We all accept the principle that some individuals who are innocent will have their biometric details retained, and I hope that the Home Secretary accepts that. Tonight's debate is not about all innocent people having their biometric details destroyed, as some have claimed; it is about where we set the balance. The Government have clearly come down on the side of reducing the amount of biometric information that we retain, but I suggest to Government Members that events will cause us to revisit this issue. Can any Government Member say that the changes to reduce the scope of biometric details that will be retained will not result in one of their constituents saying that had the changes not been made, their family member or friend would not have suffered a serious criminal assault? Nobody here tonight can say that so we must think carefully about what we are about to do. The media will make a great deal of the issue if those circumstances come about, and Government Members will have some serious questions to answer. How many children need to be attacked for it to be worth some people in our communities suffering the intrusion of having their biometric details retained on a DNA database?

I shall now discuss barring and vetting. The protection of children is one of the most important issues that can come before us on the Floor of the House. This is about setting the balance between the need for people to volunteer and for us to encourage people to play their part in their local communities, and the need to ensure that the right framework is in place to create a safe environment where parents can be sure that their children will come to no harm. This is not only about the risks from people who have unsupervised contact with children; it is also about the people who can come close to vulnerable children and groom them. Such people are among the most dangerous individuals in our communities and they go to great lengths to gain our trust in order to deceive the most vulnerable. So it is again important that we strike the right balance between the need to protect those individuals and the individual rights that the Home Secretary has said that she is seeking to protect.

We all want to protect children and vulnerable adults in our communities but it is important to get the balance right. The previous Government's record was to leave crime down by 43% and satisfaction rates with the police at record levels. We now face cuts of 10,000 police officers and some will question why the Government have chosen to take away some of the most important tools the police have in their toolkit when they are also facing a reduction in resources.

9.50 pm

The Parliamentary Under-Secretary of State for the Home Department (James Brokenshire): This has been a good debate. The passion shown and the wide-ranging nature of the debate has underlined the fact that freedom of speech is very much alive and well in the House. I take heart from the broad support across the House for many, if not all, of the Bill's provisions. There is a clear recognition from Members on the Government Benches—and, indeed, by a number of Opposition Members—that the previous Government's approach during their 13 years in office eroded a number of freedoms and, importantly, failed to enhance our security. Freedom was not enhanced by the creation of a leviathan national identity register containing the personal details of every adult in the country. Civil liberties were not protected by creating a database holding the details of every child. The vulnerable were not safeguarded by requiring more than 9 million employees and volunteers to register with a Government agency. Justice was not served by including more than 1 million unconvicted individuals on the national DNA database, and community cohesion was not strengthened by the police stopping hundreds of thousands of people under anti-terrorism powers but making only a handful of arrests for terrorist offences.

I remind Opposition Members of the Leader of the Opposition's words to the Labour party conference:

> "But we must always remember that British liberties were hard fought and hard won over hundreds of years. We should always take the greatest care in protecting them. And too often we seemed casual about them."

This Government will not be casual about liberty. That is why the Bill sets out a different approach that will protect our communities while defending personal freedoms.

This has been a good debate and I thank hon. Members on the Government side, including my hon. Friends the Members for Gainsborough (Mr Leigh) and for Dartford

(Gareth Johnson), as well as my hon. Friend the Member for Oxford West and Abingdon (Nicola Blackwood), whom I welcome as the successor to Evan Harris, although there have been some comments in support of the activities that Evan continues to do outside the House. I thank also my hon. Friends the Members for Carshalton and Wallington (Tom Brake), for Salisbury (John Glen), for Witham (Priti Patel), for Monmouth (David T. C. Davies), for Colchester (Bob Russell) and for Stone (Mr Cash). In addition, I thank many Opposition Members for their contributions, including the light relief provided by the vision of his brush with Oddjob described by the right hon. Member for Blackburn (Mr Straw), who did not specify whether his fingerprints were taken by Goldfinger. I know that the right hon. Member for Doncaster Central (Ms Winterton) would have liked to take part in the debate on wheel-clamping, and we appreciate her support for those measures.

I am conscious of time and I will do my best to cover as many as possible of the points that have been raised, but I apologise if I am not able to get through them all. On CCTV, I welcome the support of many hon. Members for the introduction of a statutory code of practice and the appointment of an independent surveillance commissioner. Those measures will help to maintain and strengthen public confidence in the use of CCTV systems and will ensure that the millions of pounds invested in such systems deliver value for money. Some hon. Members have commented on whether this trust and confidence is required, and I highlight the comments of Sara Thornton, the chief constable of Thames Valley police, in her review of Project Champion concerning CCTV usage in Birmingham. She said:

> "As a consequence, the trust and confidence that they"—

in other words, the local people—

> "have in the police has been significantly undermined.
>
> There is a real opportunity to learn from Project Champion about the damage that can be done to police legitimacy when the police are seen to be acting in a way which prizes expediency over legitimacy."

That is the context in which we should consider the provisions in the Bill relating to CCTV.

My hon. Friends the Members for Carshalton and Wallington and for Oxford West and Abingdon highlighted the application of the CCTV code of practice. The code is intended to benefit all system users. The specific requirement to have regard to the code is initially limited to the police and local authorities as the principal operators of public space CCTV systems, but the use of privately operated cameras in private or semi-public spaces is more complex. We wish to achieve a consensus on key issues before considering whether to extend the duty to have regard to the code of practice to other operators—for example, in shopping centres. I take on board the comments that were made. I can offer my hon. Friend the Member for Witham an assurance that we recognise the important role played by CCTV in detecting and deterring crime.

An issue that was raised which is not in the Bill was section 5 of the Public Order Act 1986. It is essential to consider in the round whether current laws strike the right balance on freedom of expression, freedom of assembly, freedom to manifest one's religion and the need to protect the public. In its report, "Adapting to Protest", Her Majesty's inspectorate of constabulary suggested that changing the law was not the answer. In many ways it was the constant changes to the Public Order Act that had led to operational confusion. The Government will continue to review the law throughout the course of this Parliament to ensure that it allows competing rights to be properly balanced.

Comments were made on the provisions for safeguarding vulnerable groups. Some Opposition Members expressed concern that reforms to the vetting and barring scheme would put children and vulnerable adults at greater risk. We do not consider that that will be the case. The remodelled scheme set out in the Bill will cover those who may have regular or close contact with children or vulnerable adults. It will provide for a more proportionate and efficient scheme in tandem with a refined criminal records disclosure service. The creation of a huge database to monitor millions of ordinary people created an artificial sense of security. We are moving back to a common-sense approach.

Yvette Cooper: Will the Minister confirm that if somebody applying for a post as a voluntary teaching assistant has been barred from work as a teacher owing to inappropriate contact or behaviour with children, the school will not be told that the independent experts at the ISA have barred that person?

James Brokenshire: As my right hon. Friend the Home Secretary made clear, the underlying information will be known. That is the key point. It is worth mentioning that the Under-Secretary of State, my hon. Friend the Member for Hornsey and Wood Green (Lynne Featherstone) met the NSPCC and other bodies, which said that they were assured by the explanations that they were given.

On DNA, we reject the allegations that we are being soft on crime. That is not the case. We recognise the importance of DNA and how it combats crime. Our approach is based on putting the guilty on the database to make a difference there, not putting on the database those who are innocent.

The Bill strikes the right balance between individual freedom and collective protection. It guards against the unnecessary and unregulated intrusion by Government into the lives of the many. It protects the fundamental values of liberty and freedom that mark this country out. I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.

PROTECTION OF FREEDOMS BILL (PROGRAMME)

Motion made, and Question put forthwith (Standing Order No. 83A(7)),

That the following provisions shall apply to the Protection of Freedoms Bill:

Committal

1. The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 10 May.

3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on Consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on Consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*(Bill Wiggin.)*

Question agreed to.

PROTECTION OF FREEDOMS BILL (MONEY)

Queen's recommendation signified.

Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),

That, for the purposes of any Act resulting from the Protection of Freedoms Bill, it is expedient to authorise—

(1) the payment out of money provided by Parliament of—

(a) any expenditure incurred by a Minister of the Crown by virtue of this Act; and

(b) any increase attributable to this Act in the sums payable by virtue of any other Act out of money so provided, and

(2) the making of payments into the Consolidated Fund.—*(Bill Wiggin.)*

Question agreed to.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

EUROPEAN UNION

That the draft European Union (Definition of Treaties) (Stabilisation and Association Agreement) (Republic of Serbia) Order 2011, which was laid before this House on 10 January, be approved.—*(Bill Wiggin.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

DANGEROUS DRUGS

That the draft Misuse of Drugs Act 1971 (Amendment) Order 2011, which was laid before this House on 13 January, be approved.—*(Bill Wiggin.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

CLIMATE CHANGE LEVY

That the draft Climate Change Levy (Fuel Use and Recycling Processes) (Amendment) Regulations 2011, which were laid before this House on 31 January, be approved. —*(Bill Wiggin.)*

Question agreed to.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith (Standing Order No. 119(11)),

EU INTERNAL SECURITY STRATEGY

That this House takes note of European Union Document No. 16797/10, relating to a Commission Communication on the EU Internal Security Strategy in Action: Five steps towards a more secure Europe; and supports the Government's aim of working with other Member States to strengthen the security of EU citizens, with a strong preference for practical cooperation over new EU legislation where appropriate.—*(Bill Wiggin.)*

Question agreed to.

PROCEDURE

Ordered,

That Mike Wood be discharged from the Procedure Committee and Helen Goodman be added.—*(Geoffrey Clifton-Brown, on behalf of the Committee of Selection.)*

Mr Speaker: Before calling Mr Laurence Robertson to speak on the Adjournment, I appeal to Members leaving the Chamber, who quite unaccountably do not wish to hear the speech about the Tote, to do so quickly and quietly so that we can listen attentively to Mr Laurence Robertson.

The Tote

Motion made, and Question proposed, That this House do now adjourn.—*(Bill Wiggin.)*

10 pm

Mr Laurence Robertson (Tewkesbury) (Con): I, too, am surprised that so many Members do not want to hear this timely and important debate. I am pleased to have secured it and grateful to the Minister for staying behind to reply to it. I am also grateful for his genial and informed approach to all the horse racing issues that the Government have to deal with.

I wish to declare two non-declarable interests. I have the honour of being joint chair of the all-party group on racing and bloodstock industries, which is one of the most active, well-attended and important all-party groups in Parliament. I have the honour of being joint chair alongside the hon. Member for Mansfield (Mr Meale), whom I am pleased to see in the Chamber this evening. I also have the honour of representing the great race course at Cheltenham, which by a quirk of the boundaries falls within my constituency of Tewkesbury. It is looking forward to one of the greatest national hunt racing festivals in the world in a couple of weeks' time.

The debate is timely because the Government have announced their intention to finalise the status of the Tote. It was set up in 1928 to benefit horse racing, and benefit horse racing it has done. Last year, it provided almost £19 million to horse racing through the statutory levy and sponsorship. The Tote sponsors the Cheltenham gold cup, one of the greatest steeplechase races in the world, which will take place in a couple of weeks' time. It also pays a lot of money in rent to around 60 race courses across Great Britain, and that money is absolutely crucial to racing. The Tote is more than that, however; it is an institution, and it provides the friendly face of bookmaking.

It is 10 years since the right hon. Member for Blackburn (Mr Straw), then Home Secretary, announced that the Government of the day would change the status of the Tote. At the time, it looked as though it would be transferred to a racing trust. Indeed, a shadow trust was set up with its own chairman, Lord Lipsey, but the transfer was never made. One of the big questions that we must ask before getting too far into the detail is this: who actually owns the Tote? That is not an easy question to answer. It was for that reason that in 2004 the then Government passed an Act of Parliament that nationalised the Tote, with a view to moving it on to the racing trust, but they never included that intention in the Bill, which was a problem. My submission is that, if the Government had to nationalise the Tote and obviously did not own it, they in some way had a responsibility to racing, so it would be wrong for them to do anything with the Tote that would deprive racing of its annual income from the Tote.

Lisa Nandy (Wigan) (Lab): The hon. Gentleman will know that I have the privilege of representing Wigan, where the Tote has its headquarters, and the staff there have lived with uncertainty about their futures for a long time. Does he share my concerns about how their jobs and, in particular, their pensions will be protected, and would he welcome some clarity from the Minister on that?

Mr Robertson: I certainly do share the hon. Lady's concerns. I shall come to that issue in a moment, but she makes a very important point.

Mr Dave Watts (St Helens North) (Lab): Does the hon. Gentleman agree that, if the Government are going to assess any bids for the Tote, they should use only two criteria: first, the retention of jobs in the north-west; and secondly, the contribution to racing? Does he not think that those are the two overriding decisions that should determine who gets the Tote?

Mr Robertson: The hon. Gentleman makes a very good point. I have already mentioned the money going to racing, and the issue of jobs is important not just to the Tote. Many people are employed in racing, and, if it loses the Tote's contribution, those jobs will be adversely affected, so he is absolutely right.

The Chancellor, in his Budget speech, mentioned the intention of moving the Tote on and changing its status, and more recently the Minister here tonight said that, when that happens, 50% of the proceeds of the sale will be returned to racing. That statement is generally welcome, and from a racing perspective it has to be good news, but it is not enough. There are various questions about that 50% figure. How much would it be worth after pension and debt liabilities have been taken into account? Who in racing would get the money? How much would it amount to? Would that 50% satisfy European Union state aid rules? Those questions need to be answered.

My central point—the most important point, which the hon. Gentleman touched on—is that the money that the Tote puts into racing each and every year is more important than 50% of the proceeds of any sale going to racing. As I have frequently said, that could turn out to be like selling one's house and living off the proceeds: it is okay to do so for a while, perhaps five years, but at the end of that period the proceeds are all gone and then one is left without an asset. More important than that 50% is therefore the Tote's year-on-year contribution to racing, and I cannot stress that enough.

Mr Alan Meale (Mansfield) (Lab): May I remind the hon. Gentleman of the contents of early-day motion 1516, which members of the all-party racing and bloodstock industries group tabled? It talks about who represents racing per se, and the answer is organisations such as the Jockey Club and the British Horseracing Board, the owners, trainers, jockeys, stable staff and their representative organisations. They all support the Tote's foundation, as he has been describing. The Minister knows that the Government have never given a penny to the Tote, never even acted as guarantor to it, but have gleaned millions from it, so should he not at least listen to the people who have actually made a business out of it?

Mr Robertson: The hon. Gentleman, the joint chairman of the all-party group, makes an important point, which I was going to come on to but shall dwell on now for a moment. The people who run horse racing are well known for falling out over every issue that there is to fall out over. It is almost a standing joke in the racing industry that they cannot agree on anything, but the hon. Gentleman is absolutely right, because on this issue racing speaks with one voice, and it is crucial that the Government listen to it.

[Mr Laurence Robertson]

I do not remember racing being as united on any issue as it is on this one. The central point that it is making is that whoever ends up running the Tote in a few months' time should not only be able to pay this contribution to racing every year but guarantee to do so. In other words, the purpose of the existence of the Tote must be to contribute to horse racing, because that is what it was set up to do. If other bidders are considered—of course, the Government have to follow due process and consider other bidders—would the industry be able to ask for guarantees from those bidders that the Tote would continue to look after horse racing? That would provide some difficulty for those bidders because it would reduce the value of the Tote as a business—I understand that—but how on earth would they be able to give that guarantee? I do not think that they could.

When the Chancellor and the Minister further considered the status of the Tote, they said that they would look after racing's interests and also look after the interests of the taxpayer. I return to what the hon. Member for Mansfield said. The taxpayer has never put a single penny into the Tote, and so, in my view, the taxpayer does not deserve a return from any sale of the Tote. This is very different from the millions upon millions that the taxpayer used to have to put into the old nationalised state industries. I want to see more fairness for taxpayers, and lower taxes. I am always on the side of the taxpayer; I come to this House to represent them. However, on this occasion they do not need any representing.

Mr Meale: While I commend the hon. Gentleman's words about what contribution is made, I refer back to what my hon. Friend the Member for Wigan (Lisa Nandy) said about the taxpayers of Wigan and the north-west and the contribution that they have made. The fact is that there would be no business whatever were it not for the people who work for the Tote in Wigan, in Lancashire, and up and down the length and breadth of Britain's high streets where Tote bookmakers operate. These women, in the main, work for the Tote, travel to race courses throughout the UK, and glean the many hundreds of millions of pounds that turn the profit that we are talking about.

Mr Robertson: The hon. Gentleman is absolutely right. It is the efforts of the staff, who have contributed so much towards the Tote as an organisation, that have allowed it to contribute so much money to horse racing.

Yvonne Fovargue (Makerfield) (Lab): Does the hon. Gentleman agree that much of the value of the Tote lies in the loyal and mainly long-serving work force, who need to be protected? Their needs must be given proper weighting in the bidding process as a reward for their loyal and long service, which has helped the Tote to develop into what it is today.

Mr Robertson: I entirely agree with the hon. Lady. I will touch on that in a moment.

As I said, the taxpayer has never put any money into the Tote and therefore does not deserve any money out of the Tote. Having said that, I fully understand the difficulty that the Minister and his Department may face, because over the years we have seen the Treasury grow in strength, and it wants some money out of this process. However, a bid from a Tote foundation may qualify to be one of the best bids that it could take up, for some of the reasons that have been given. A Tote foundation would of course continue to employ staff, and therefore continue to have a pension liability. It would continue to be responsible for any debts that the Tote may have. All that has to be put into the melting pot. An undiscounted cash payment could be made. If the Tote is to continue as a foundation, or as the Tote organisation, and continue, year on year, to pay money to horse racing, there is no need for the 50% sum to be given back to horse racing because it would be getting something far more valuable—the ongoing amount each and every year. That is extremely important.

Matthew Hancock (West Suffolk) (Con): I congratulate my hon. Friend on securing this extremely important debate at this crucial time. As he well knows, in my constituency about 5,000 jobs in and around Newmarket are connected with the racing industry. Does he agree, especially given the history of this issue, that the crucial element is the contribution that is made to racing? I strongly agree with his view that an ongoing contribution to racing is vital in terms of the future of the Tote, and that whatever choice of bidders is made, an obligation for a contractual support of the future of racing is required.

Mr Robertson: My hon. Friend is absolutely right that that is the crucial element. If there is one message that I would like the Minister to receive tonight, it is that we have to be certain of the ongoing contribution. We cannot be certain of it if the highest bidder is simply accepted. Under certain circumstances, we would not even be sure that the Tote would continue to exist as an organisation, because bits of it could be sold off. It is only through this process that I have come to understand what is meant by embarrassment clauses. That is how the Government might ensure that once the Tote is sold or transferred to another organisation or company, it will not asset strip it, sell it the next day and make a massive profit, or cause it not to survive as an organisation.

Ian Swales (Redcar) (LD): Does my hon. Friend agree that almost every country in the world that has a successful racing industry also has a state-owned pool betting system, and that in many cases that is the only form of legal betting?

Mr Robertson: My hon. Friend makes a good point. I do not want the Government to continue to own the Tote—not that they own it yet, but hon. Members know what I mean. I do not think that it is for Governments to own betting shops; that is not what they are there for. My hon. Friend is right that the model I am proposing, whereby racing gets all the benefit from the Tote, is not unusual, but exists in many parts of the world. Perhaps the system here differs because the Tote, if it continued as a foundation, would be competing with many other companies such as Ladbrokes, Coral and William Hill. However, his central point is absolutely right.

I am coming to the end of my speech, or certainly to the end of the time that I wanted to take, but I want to make one further point. In a debate two or three weeks ago initiated by my hon. Friend the Member for West Suffolk (Matthew Hancock), we discussed the future of the horserace betting levy. It was pretty well agreed that the present system is out of date and that it cannot carry on in its present form. It needs to be reformed or to be replaced completely. Racing will have to generate more commercial opportunities to get more money into horse racing, even if the levy continues as it is. If the Tote were transferred or sold to an organisation or foundation that was there purely to finance horse racing, it would be a move in that direction. Allowing the Tote foundation bid to succeed, for example, would be a step towards a solution with regard to the levy, and the two policies would go forward together.

I started by saying that the ownership of the Tote is uncertain, but one thing that is certain is that racing has a right to the money that comes from the Tote. I ask the Minister to ensure that that continues to be the case.

10.18 pm

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (John Penrose): I congratulate my hon. Friend the Member for Tewkesbury (Mr Robertson) on securing this important debate. A number of Members have made the point that this is a timely discussion and I am delighted to have the opportunity to respond to the excellent points and questions that my hon. Friend raised. I thank him for describing me as genial. I do not think I have been described as genial before. I shall tuck that away and tell my mum when this is all over. I also compliment him because, as he said, by a quirk of the boundaries his constituency includes the wonderful race course of Cheltenham. It is my hard lot in life to have to go to the Cheltenham festival for two days this year. That is a terribly tough part of my job, but I am rather looking forward to it.

I should point out that we are in the middle of an open market process in which a number of people are bidding for the Tote. I hope that my hon. Friend and the hon. Members who have intervened will understand that I am therefore limited in what I can say at this point. Some people who are bidding to take over the Tote have signed non-disclosure agreements with the Government and the Government have signed them in return. It would not be fair to individual bidders if I started disclosing details of one bid and not another. That would clearly not lead to a fair, safe and equitable disposal process, so I will have to watch my p's and q's. I am not trying to be deliberately obstructive or obscure, but I need to be careful

My hon. Friend began by asking a series of questions about the details of the 50% commitment. As he rightly pointed out, the Government have committed to ensuring that we honour the Labour Government's original commitment that 50% of the proceeds of any disposal go to racing. I will come on to his points about whether that is a high enough proportion.

Mr Meale: The Minister has reminded me of the Labour Government's promise to hand over 50% of the moneys that come from the disposal. I hope that by that he means 50% after liabilities have been met, not before.

John Penrose: I thank the hon. Gentleman for that intervention because it leads me on to answering some of the points that he and his co-chairman of the all-party group on the racing and bloodstock industries, my hon. Friend the Member for Tewkesbury, asked. He is right: clearly, these will have to be net proceeds.

There is a series of questions to be answered about precisely how the transfer of the 50% of the proceeds will take place, and to whom it will be transferred. The answer to most of these questions is tightly bound by European law, because we have to ensure that we do not inadvertently trip over concerns about state aid, which have already derailed one or two earlier attempts to deal with the Tote under previous Administrations. There are things that we can and cannot do, and we are examining them and ensuring that everybody understands what they are. However, I would make the point that they apply equally to any of the potential bidders who are interested in taking over the Tote in due course, who will be bound by charity law and so on. It is most likely that the money will end up in some kind of trust that is governed by the requirements of European law, to ensure that it does not fall on the wrong side of the state aid rules. More details are being developed and worked out through the lawyers as we speak, and when the time comes we will obviously need to publish rather more detail.

Mr Meale: I thank the Minister for what he has just said, which will give great heart to the people who work for the Tote, as they will realise that they will not be left in limbo. There is a case for a trust, at least for their welfare.

John Penrose: I am happy to come on to the issue of Tote staff, but I actually meant to describe a slightly different type of trust, in that the money that is paid to racing will need to go into a carefully bounded trust that is constrained by EU state aid rules. That may or may not be helpful to the future of the staff, but it is a parallel and separate issue.

The principal point made by my hon. Friend the Member for Tewkesbury to which I wish to respond was that the value of the 50% share would almost certainly be less than the value of the ongoing income stream that there has been from the Tote to racing year on year. I completely understand the basic point that he was trying to make, which was that if someone is given a large lump of capital in year one and they fritter it away, or even spend it on terribly valuable and useful things, they will be left with nothing else unless they have a yearly income as well.

However, it is not necessarily true that the ongoing annual income is worth more than the value of the up-front capital. It rather depends on how much that ongoing annual income will be under the various potential future owners of the Tote. Without revealing details of all the different bidders—as I said earlier, I cannot do that—I can tell everybody that the various people who are bidding for the Tote are coming up with an interesting and rich variety of proposals for how to treat the level, structure and so on of that ongoing income stream. They are not all the same, and some are better for racing on an ongoing basis than others. However, we need to value the best and worst differentials alongside the value of the capital. It is not true that the value of the differential will always be bigger and more valuable than the up-front capital. In some cases, it could be that 50% of the proceeds properly invested could yield a

[John Penrose]

very significant return. It is not a straightforward calculation, so I caution the hon. Member for Mansfield (Mr Meale) on how he makes that comparison.

Mr Watts: Are the Minister or the people making bids guaranteeing that the income stream to racing will be not reduced, but increased?

John Penrose: I am afraid that if I answer that question, I will fall the wrong side of the line that I described earlier. The people who are bidding are making a variety of pledges and proposals on that, which must all be valued, addressed and compared. Some are notably better than others, and that is one factor that we will take into account.

Hon. Members on both sides of the House have said that 50% is not enough, and that 100% of the proceeds should go to racing. As Minister with responsibility for racing, nothing would give me greater pleasure than to sign up to that proposal, but that is not where this Government are, and nor was it where the previous Government were—they passed the legislation that allows us to dispose of the Tote by passing it into public ownership and eventually on to a bidder.

The Chancellor made a commitment in his Budget on 22 June, and used a phrase that is emblazoned on my heart—I suspect that it is well known to all hon. Members in the Chamber. He promised to

> "resolve the future of the Tote in a way that secures value for the taxpayer while recognising the support the Tote currently provides the racing industry".

Given the current state of the national finances, I am afraid that it will be extremely hard—or completely impossible, in my view—to argue that we should do more than a 50:50 split. I appreciate that there are deeply held views on both sides of that argument, but that is the situation that, to a large extent, we inherited. We have honoured the previous Government's commitment to 50%, but I fear that it would be extremely difficult to go any further at this stage.

The Government are extremely pleased with the quality and quantity of the interest and bids that we have received for the future of the Tote. It is a matter of public record that the number of bids in the first round was in the high teens. We have whittled that down with an initial assessment and are now in phase 2, with a smaller selection of people, but we still have a pretty wide range.

Mr Watts *rose—*

Lisa Nandy *rose—*

John Penrose: I have a very short amount of time left. I will take the hon. Lady's intervention because I have already taken one from the hon. Gentleman.

Lisa Nandy: Will the Minister at least tell us what relative weight he has given to the continuing employment of existing Tote staff?

John Penrose: I apologise. I did not mean to gloss over that and the hon. Lady is quite right to pick me up on it. I am afraid that I cannot quantify the relative weights, but the Government will apply three crucial criteria: return to the taxpayer; return to racing; and pledges on the future of staff, including those in Wigan. Those three factors will be crucial in our evaluation of the different bids. As I said, the structures of the bids are widely different, and we must calculate carefully if we are to make like-for-like comparisons.

To return to my point, we have a strong, wide and powerful range of people who are through to round 2. They are currently involved in due diligence, crawling through the books with a fine-toothed comb and ensuring that they understand all the issues. In due course, we will whittle the bidders down still further to a final smaller group, which we will endeavour to take through to completion.

The good news is that because we have such a strong field of runners and riders, we stand a very good chance—although one can never be sure of these things—of bringing this to a successful conclusion. All in our collection of bids are of high value in respect of all three of the main criteria that I just described. That is our best guarantee of a successful outcome. If we have a good choice between those three different values, we stand an excellent chance of success.

10.30 pm

House adjourned without Question put (Standing Order No. 9(7)).

House of Commons

Wednesday 2 March 2011

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

CABINET OFFICE

The Minister for the Cabinet Office was asked—

National Citizen Service

1. **Amber Rudd** (Hastings and Rye) (Con): In which regions the national citizen service will operate in the summer of 2011. [42471]

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): The pilots will be based in 190 different locations this summer and have a good geographical spread in regions across England. I am delighted to say that more than 11,000 16-year-olds will have the opportunity to take part.

Amber Rudd: My constituents and I are very much looking forward to the service arriving in Hastings and its environment. What are the arrangements for rolling the service out further; who will be in charge of fulfilment; and how can MPs get involved with it?

Mr Hurd: This year's pilots involve areas represented by 400 MPs, so there are plenty of opportunities to get involved. I am delighted to say that Catch 22 and the Prince's Trust are leading the pilots in East Sussex this year, and I very much hope that my hon. Friend will get involved because this provides a fantastic opportunity for young people in her area to participate in a very positive experience.

Jon Trickett (Hemsworth) (Lab): Anything that taps the idealism of young people in the wider society is clearly to be welcomed; it is a good thing. These pilots, however, seem to be an inadequate response to the needs of 965,000 young people who are now out of work. The scheme itself was criticised, as the Minister will know, by the university of Strathclyde, so will he at least indicate the date by which the scheme will be made universal for all young people, as the Prime Minister promised before the election?

Mr Hurd: I am sorry that the hon. Gentleman appears to have such a downer on the scheme, which provides a hugely positive opportunity for young people in this country. We are testing it thoroughly on behalf of the taxpayer—there are 11,000 places this year and 30,000 next year—with a view to rolling it out, as he suggested, to make it more widely available and so compelling for all 16-year-olds that they will want to get involved in the future.

Big Society Bank

2. **Tom Blenkinsop** (Middlesbrough South and East Cleveland) (Lab): What steps he plans to take to ensure that the big society bank has a social mission as part of its statutory remit. [42473]

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): In our social investment strategy, announced on 14 February, we set out that the big society bank will be an independent institution with a locked-in social mission and initial capital provided by the banks. Sir Ronald Cohen and Nick O'Donohoe are working with us and the banks to put forward a proposal on how best and most speedily to achieve that.

Tom Blenkinsop: As how the big society bank will be set up and the terms on which it will receive capital from UK banks are still unclear, will the Minister explain how he will guarantee the bank's social mission and ensure that it does not become like other mainstream lenders?

Mr Maude: As I said, the social remit will be absolutely built into its mission; it is a crucial part of it, so it will be locked in. I have to say that criticism comes poorly from Labour Members who have talked about creating a social investment bank for many years. Frankly, on taking office last May, I expected to find well-prepared plans, but when I opened the file, I found it pretty much empty.

Simon Hughes (Bermondsey and Old Southwark) (LD): The Minister will know that I welcome the bank. What priorities will it have to fund projects associated with, and supporting, young people?

Mr Maude: That will be one of the bank's priorities. The legislation allowing the money from dormant bank and building society accounts to be put into a social investment bank provides a priority for youth projects. As I say, this will be a serious priority. The bank will be able to provide wholesale funds into the already growing social investment market, for which there is a huge demand. We want to see much more money—including, over time, mainstream finance from the mainstream banks—being made available for this market.

Tessa Jowell (Dulwich and West Norwood) (Lab): We welcome the progress the Government have made in setting up the big society bank, and we note that it will be launched with £300 million-worth of capital at the end of this year. However, community projects also rely on revenue funding to support capital investment and according to estimates from the Association of Chief Executives of Voluntary Organisations, the total loss of revenue faced by civil society organisations will be at least £1.14 billion in the next financial year, rising to £3.1 billion a year by 2014-15. Does the Minister accept these figures and, if not, will he undertake to provide the Government's own estimates of the revenue losses faced by community organisations over that period?

Mr Maude: The social investment bank planned by the last Government would have received a meagre £75 million of investment at best, and probably a great deal less than that.

I do not know whether the right hon. Lady noted what my right hon. Friend the Secretary of State for Communities and Local Government told the conference of the National Council for Voluntary Organisations yesterday. He said that the Government had "reasonable expectations" that local authorities would not impose greater cuts in their funding for community, social and voluntary organisations than they imposed on their in-house services, and that if authorities did not follow those "reasonable expectations", he would contemplate making them statutory.

The fact is that we face the biggest budget deficit in the developed world. As a result of the legacy of the Government of whom the right hon. Lady was a prominent member, we are spending £4 for every £3 in revenue, and we cannot carry on like that. The necessity—and it is a necessity—to eradicate the structural deficit is something for which the right hon. Lady should bear her full share of responsibility.

Teleconferencing

3. **John Pugh** (Southport) (LD): What assessment his Department has made of the potential efficiency savings from the use of teleconferencing. [42475]

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): Teleconferencing and video conferencing are a key part of our strategy to minimise travel in the civil service. Officials have been encouraged, indeed instructed, to use alternatives. Telephone calls can be quite helpful in that regard, when possible. So far, Departments have saved £50 million in the current financial year by avoiding travel, but by the better buying of travel services we have saved an additional £50 million. We are also reducing the cost of teleconferencing itself. We have opened up fresh discussions with major suppliers, and as a result of the Crown renegotiations that I have been overseeing, one of our suppliers has already offered a significant reduction in its audio conferencing tariffs.

John Pugh: I thank the Minister for that full answer, but will he make it a little fuller by telling me which Departments make good use of teleconferences and which do not, and why?

Mr Maude: That is a very good question, to which I do not have an immediate answer. I am prompted by the hon. Gentleman's interest to look into the matter, and I will get back to him with some answers.

Mr Tom Watson (West Bromwich East) (Lab): Teleconferencing provides a key opportunity for digital policy. The head of that policy in the Minister's Department was appointed without a fair and open competition, as a former party staffer. That was one of 30 appointments revealed by freedom of information releases this week. Can the Minister tell me who those 30 people are and what they do?

Mr Maude: Of course I understand why the hon. Gentleman is so outraged by the idea of people with party affiliations fulfilling a public service vocation, because of course none of that ever happened under his party's Government—a Government who, with the hon. Gentleman as one of the principal operators, distinguished themselves by their approach to cronyism.

I can tell the hon. Gentleman that anyone who has been appointed to a civil service role has passed all the appropriate tests, which, as he will know from his experience as a Minister in my Department, are extremely rigorous.

Big Society Bank

4. **Peter Aldous** (Waveney) (Con): What progress his Department has made in establishing a big society bank. [42476]

5. **Miss Anne McIntosh** (Thirsk and Malton) (Con): What recent representations he has received on the big society bank; and if he will make a statement. [42477]

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): Sir Ronald Cohen and Nick O'Donohoe are working with us and with the banks to develop a proposal for the big society bank. As I have said, it will initially be capitalised by an investment from the mainstream banks. We are currently seeking to secure state aid approvals from the European Commission so that money from dormant bank and building society accounts can be directed towards the big society bank. Nothing along those lines had been done when the Government took office. In the meantime, we are working with the Big Lottery Fund to ensure that interim arrangements are in place by April, so that we can make early investments as soon as the first round of dormant bank account money becomes available in the summer.

Peter Aldous: Youth clubs such as the Metro, Boston Lodge and Colville House play an important role in my constituency. What guidance and financial assistance will be given to them, and to those operating new voluntary sector schemes whose aim is to take over the running of other local services such as crossing patrols and libraries, and when will that guidance and assistance be available?

Mr Maude: As my hon. Friend will know, a key part of our approach to public service reform will be encouraging voluntary and social enterprises to bid for the delivery of public services. They are being given a massive opportunity to develop different revenue streams and deliver public services in a responsive and agile way. The big society bank will deliver extra wholesale funding to the social investment market for start-up and development capital for such organisations. In the meantime, for some organisations the transition fund will provide bridging finance until those revenue streams become available.

Miss McIntosh: My question was about representations received, because there is a lot of interest in the big society bank in Thirsk, Malton and Filey, but there is also concern that if match funding is required, it will trigger the 2.5% referendum call on local government spending under the Localism Bill. Will this issue be addressed?

Mr Maude: I will look into that. The big society bank will provide private investment to bulk up the important social investment market. We have had numerous representations on this matter, most of them saying, "Please get on with it because we were very disappointed about waiting for so long for the last Government to do anything at all."

Chris Ruane (Vale of Clwyd) (Lab): Will the big society bank give grants as well as loans, and will the loans be set at commercial or preferential rates?

Mr Maude: The big society bank will not make grants. It is a bank, so it will make loans and provide investment capital for this important and growing sector. One of the problems in the social investment market has been that Futurebuilders was able to give both grants and loans, which was very distorting for the large and growing number of intermediaries in that market. The bank should be an investment organisation, not a giver of grants.

Mark Durkan (Foyle) (SDLP): What steps have been taken to ensure that the big society bank will be relevant and accessible in all regions? Also, is it being impressed upon the banks that the coming arrival of the big society bank will not obviate their duty to show consideration and support for the third sector in the current challenging funding environment?

Mr Maude: I am grateful to the hon. Gentleman for that relevant question. The introduction of the big society bank certainly does not obviate the broader need to support voluntary and social enterprises, in the interests of local residents. The bank's remit will be UK-wide. The money put in by the banks will be for UK purposes, but the money coming into the big society bank in due course from dormant bank accounts will be for England only, unless the devolved Administrations decide to put their share of that money into the big society bank, which I hope they will be encouraged to do.

Voluntary Sector (Jobs)

6. **Rosie Cooper** (West Lancashire) (Lab): What estimate he has made of the likely change in the number of jobs in the voluntary sector in the next three years. [42478]

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): Unfortunately, the sector cannot be immune from the cuts that are forced upon us, so of course there is concern about short-term job losses, but we firmly believe that there will be opportunities for the sector in the future, not least in delivering public services, and we are working very hard to make those opportunities real.

Rosie Cooper: I thank the Minister for that answer, but the National Association for Voluntary and Community Action estimates that 26,000 charity workers will lose their jobs in the face of the Government's accelerated cuts to services. Does he agree with that estimate, and if not, will publish his own estimate of the job losses in the sector?

Mr Hurd: I do not recognise the basis of that estimate, but of course there is a challenge in the short term, and this Government are working very hard to try to help the sector manage through this period of transition. There is a very significant long-term opportunity for the sector to deliver more public services, to help people find more of a voice at the local level, and to benefit from the additional time and money we hope to encourage people to give as well as the social investment we are trying to encourage through the big society bank.

Mr David Evennett (Bexleyheath and Crayford) (Con): I welcome the progress my hon. Friend is making in promoting and advancing the voluntary sector. *[Interruption.]* Will he compare that with the lacklustre performance of the last Labour Government?

Mr Hurd: I thank my hon. Friend for that question, and it was interesting to hear the chortles from those on the Opposition Benches. Of course there is absolutely no recognition among Labour Members of the necessity for these cuts after their Government's absolutely shambolic stewardship of the economy over the past 13 years.

Roberta Blackman-Woods (City of Durham) (Lab): Many in the voluntary and community sector are describing the transition fund, which was heavily over-subscribed and I believe is now closed, as a drop in the ocean compared with the tsunami of cuts facing the sector. Does the Minister not agree that he needs to do more to protect the voluntary sector from job cuts, especially at a time when he is asking it to do more?

Mr Hurd: I do not think any of my constituents would consider £100 million of taxpayers' money to be a drop in the ocean. As the outgoing Labour Chief Secretary to the Treasury said, "There is no money," yet we have found £100 million to try to help the most vulnerable organisations through a very difficult transition period. We wanted to get that assistance up and running as quickly as possible so the money could get out in as unbureaucratic way as possible, and I am very proud of what we have managed to achieve.

Government Procurement (SMEs)

7. **John Glen** (Salisbury) (Con): What steps he is taking to make Government procurement simpler for small and medium-sized enterprises. [42479]

9. **Alec Shelbrooke** (Elmet and Rothwell) (Con): What steps he is taking to make Government procurement simpler for small and medium-sized enterprises. [42480]

11. **James Morris** (Halesowen and Rowley Regis) (Con): What steps he is taking to make Government procurement simpler for small and medium-sized enterprises. [42482]

12. **Margot James** (Stourbridge) (Con): What steps he is taking to make Government procurement simpler for small and medium-sized enterprises. [42483]

The Minister of State, Cabinet Office (Mr Oliver Letwin): My hon. Friend the Member for Salisbury (John Glen) is right to ask this question. We attach a huge amount—

Mr Speaker: Order. I apologise for interrupting the right hon. Gentleman, but I think he seeks to group the question with a number of others: Nos. 9, 11 and 12.

Mr Letwin: I do indeed, Mr Speaker; I am very grateful to you.

My hon. Friend is absolutely right to ask this question because we attach a huge amount of importance to trying to open up contracts to small and medium-sized enterprises. We have launched the Contracts Finder website, which is of enormous advantage to them, and we are getting rid of vastly burdensome pre-qualification materials. Opposition Members may be interested to know that a document such as the one I am holding is what small and medium-sized enterprises had to fill out over and over again in pre-qualification. We are now reducing that and eliminating it in many cases.

John Glen: I thank my right hon. Friend for his reply. A business in my constituency offers a proven low-cost solution to helping individuals back to work, but it is finding it impossible to get access to Government. Can my right hon. Friend advise Gary Roberts of Cavendish Films how he can open a dialogue and ensure that these potential huge savings are given a fair hearing?

Mr Letwin: I would be delighted to welcome my hon. Friend and his constituents from Cavendish Films to discuss that very issue. The Minister of State, Department for Work and Pensions, my right hon. Friend the Member for Epsom and Ewell (Chris Grayling), has constructed the Work programme in a way that enables the main contractors to deal with the vast range of subcontractors on a payment-by-results basis, and I am sure there is plenty of opportunity for my hon. Friend's constituents to be introduced to the participants in that programme.

Alec Shelbrooke: My constituency of Elmet and Rothwell has one of the lowest unemployment rates in the country, which is due mainly to a very successful SME base. Is the drive to procure from SMEs intended as a way of subsidising them, or is it the most efficient way for the Government to procure?

Mr Letwin: My hon. Friend raises another extremely important question. It is emphatically not the Government's intention to subsidise small and medium-sized enterprises through the contracting process, but rather to enable Government to be more efficient by promoting the kind of innovation that SMEs so frequently bring to the work they do. Our feeling is that if we get locked into contracts merely with very large suppliers, we often lose that innovation, and we are determined to avoid that result.

James Morris: SMEs are vital to the black country economy. What is the Minister doing to ensure that small and medium-sized companies in places such as the black country can compete for Government contracts on a level playing field?

Mr Letwin: Again, that is an enormously important question. One of the purposes behind our move to spread contracting to SMEs is precisely to ensure that we do not get such an unbalanced economy. We want to reach out to firms that have the best propositions—often, small and medium-sized firms—in parts of the country where there are not major contractors who do much business with Government. We believe that that is a good way of helping to build the economies, and enterprise and innovation, in those areas of our country.

Margot James: Government procurement officers have been very risk-averse in the past and associate large companies with security. Does my right hon. Friend agree that a change in culture is required, as well as these excellent new policies?

Mr Letwin: In a word, yes. We are determined to achieve a change in culture, and the dictum that nobody ever got sacked for hiring IBM is one that my right hon. Friend the Minister for the Cabinet Office is putting to the test. We are determined to go for innovation and excellence, and we will do that on a wide scale. Looking at the figures for contracting, I see that we have already achieved an enormously wide spread in the past few months.

Mr Speaker: Order. There are really far too many noisy private conversations taking place in the Chamber. I want to hear the questions and, indeed, the good doctor's answers.

Hugh Bayley (York Central) (Lab): What proportion of Government contracts were won by small and medium-sized enterprises in Yorkshire, and what are the Government doing to ensure that small companies in the north of England get a proportionate share of Government contracts?

Mr Letwin: I will write to the hon. Gentleman with the figures for Yorkshire. I can tell him that we have set a presumption that all Government Departments will be moving towards 25% of contracts being in the hands of small and medium-sized enterprises, giving a vast range of opportunity not just in one part of the country but all parts of the country. Indeed, we intend to ensure that people throughout the country have ample opportunity to get into this market, which is why we are making it so much easier to participate.

Big Society Ministerial Group

8. **Anas Sarwar** (Glasgow Central) (Lab): What assessment he has made of the progress of the work of the big society ministerial group. [42571]

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): The informal ministerial group on the big society and decentralisation supports progress across government on cross-cutting issues, such as the role of the voluntary community and social enterprise sector in public service delivery, the progress made in vanguard areas and the compact between the voluntary sector and the state.

Mr Speaker: Order. The House must come to order. This is very unfair on the Minister. He is offering the House an informative answer and it must be heard.

Anas Sarwar: Thank you, Mr Speaker. I also thank the Minister for his answer. Given that opinion polls show that the majority of the British people have not even heard of the big society and that the majority of those who have think it is just a cover-up for the cuts, does the Minister believe that the work of the ministerial group has been a resounding success? Does he not believe that Ministers' time would be better spent doing credible work in their own Departments?

Mr Maude: I am sorry that the hon. Gentleman does not think that building a bigger, stronger and more cohesive society is worth while, particularly given that the role of the state is having to retrench severely as a result of the financial incontinence of the previous

Government of the party that he supports. I am sorry to have to remind him that when the coalition Government took office his Government were spending £4 for every £3 in revenue and had the biggest budget deficit in the developed world. So less money is available and building a bigger, stronger society, which I would have thought he would support, is a very worthwhile exercise for not only the whole Government, but the whole of Parliament.

Robert Halfon (Harlow) (Con): Will the ministerial group examine the role of the big society bank to see whether it can be run on national credit union lines, so that it can link up with local credit unions and ensure that the money cascades down to community groups at the grass-roots level?

Mr Maude: The social investment market has been growing in recent years but it needs additional wholesale funds, both from the big society bank and from freeing up the guidelines on investment by trustees of big philanthropic foundations. That will grow the social investment market significantly, and the credit union movement, which is extraordinarily important and has a very important social mission, can be an important partner in that progress.

Alison McGovern (Wirral South) (Lab): Will the Minister or the "Secretary of State for the big society" have a quiet word with Wirral borough council, which has closed important care and respite homes too quickly in order to let the non-government sector fill the gap? That is giving the big society a bad name.

Mr Maude: I refer the hon. Lady to the remarks made by the Communities Secretary yesterday. We do believe in localism; we believe in local authorities being accountable, not to Whitehall, but to their own local residents. Each local authority has to justify its decisions but, as my right hon. Friend said yesterday, we have expectations that local authorities will not impose greater cuts on their funding for voluntary organisations than they do on their own costs. We would expect them to have regard to that.

Mr Speaker: Order. The House must come to order. We want to hear Joseph Johnson.

Public Sector Procurement (Fraud)

10. **Joseph Johnson** (Orpington) (Con): What steps he is taking to reduce the risk of fraud in public sector procurement. [42481]

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): The National Fraud Authority estimates that £21 billion is lost to fraud in the public sector each year, on top of which there is a so far unquantified loss from error and from uncollected debt. It is estimated that £2.4 billion of that £21 billion is lost to procurement fraud, and that is unacceptable. The Prime Minister has asked me to chair a counter-fraud taskforce comprising members from government and private sector experts to tackle the issue. We are overseeing a series of pilots, including one on procurement, to drive forward ways to tackle public sector fraud, and we will report our findings in due course.

Joseph Johnson: I thank the Minister for that answer. That figure of £21 billion is truly shocking. Will the Minister update the House on progress towards developing a more robust methodology for quantifying how much taxpayers' money is being wasted in this way?

Mr Maude: It is actually difficult to know exactly how much is being lost. The numbers are increasing each year, but that is largely because there is a better handle on the data. The quality of much Government data is lamentably poor and it is particularly difficult to obtain accurate figures on some procurement fraud, such as collusion or bid rigging. However, in one of the taskforce pilots, the Department for Transport is using data analytics to detect overpayments from the Department's accounts payable systems. A similar exercise undertaken by the Home Office detected and recovered no less than £4 million in overpayments as a result of fraud or error.

Mr Speaker: I am obliged to the Minister.

Transition Fund

13. **Anne Marie Morris** (Newton Abbot) (Con): How many valid bids the transition fund received. [42484]

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): There were just over 1,700 applications to the transition fund, which are currently being assessed by our delivery partner the BIG Fund. The first transition fund awards, totalling £1.7 million, were made on 15 February to 18 organisations and there will be hundreds more awards over the coming months.

Anne Marie Morris: Given the appetite for the transition fund, will the Prime Minister consider a new fund to enable even more civic societies that undertake such valuable work, such as Home-Start in Teignbridge, to continue to operate? Will he consider including smaller organisations in such a new fund?

Mr Hurd: I understand the question, but unfortunately we have no money to consider such an initiative. We had to take some very tough decisions on eligibility criteria for the first round and we are actively looking at ways to top that up, but we have no current plans for a second round.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [42573] **Gavin Barwell** (Croydon Central) (Con): If he will list his official engagements for Wednesday 2 March.

The Prime Minister (Mr David Cameron): I am sure the whole House will wish to join me in paying tribute to Private Dean Hutchinson from 9 Regiment the Royal Logistic Corps and Private Robert Wood from 17 Port and Maritime Regiment the Royal Logistic Corps. They were killed in a fire at Camp Bastion on Monday 14 February. Their service for the safety of the British people will not be forgotten and we send our deepest condolences to their families, friends and colleagues.

I am sure that the whole House will also wish to join me in sending our deepest sympathies to the people of New Zealand and to all those who lost loved ones, including, sadly, at least four British citizens, in the earthquake last week. We have sent two teams of experts to provide whatever assistance they can.

This morning I had meetings with ministerial colleagues and others, and in addition to my duties in the House I shall have further such meetings later today.

Gavin Barwell: I am sure that the whole House will, indeed, wish to associate itself with the Prime Minister's remarks in relation both to our brave servicemen and to the people of New Zealand.

Despite the urgent need to reduce the deficit, the Government took the right decision not just to protect but to increase the overseas aid budget. What capacity does that give us to respond to the urgent humanitarian situation on the Libyan border?

The Prime Minister: My hon. Friend makes an important point, which is that in spite of the difficult decisions we have to take, it is right to keep increasing the aid budget. Sadly, what is happening on the Egyptian and Tunisian borders with Libya shows how important that decision is. As the UN Secretary-General, Ban Ki-moon, said last night, there are serious implications of a growing humanitarian crisis. The information is that some 162,000 people have crossed the land border so far. We have sent technical Department for International Development teams to both the borders and yesterday we flew in tents for 1,500 people and blankets for 36,000 people. I can tell the House that today we are launching a UK operation to airlift several thousand people back to Egypt from the Libyan-Tunisian border, with the first flight scheduled to leave the UK later today. It is vital to do this; those people should not be kept in transit camps if it is possible to take them back to their home. I am glad that Britain can play such an important part in doing that.

Edward Miliband (Doncaster North) (Lab): May I join the Prime Minister in paying tribute to Private Dean Hutchinson from 9 Regiment the Royal Logistic Corps and Private Robert Wood from 17 Port and Maritime Regiment the Royal Logistic Corps? They both showed enormous heroism and courage in their service in Afghanistan and our thoughts are with their family and friends.

I also join the Prime Minister in passing on condolences and deepest sympathy to the victims of the New Zealand earthquake.

May I ask the Prime Minister about the situation in Libya, starting with the humanitarian crisis? I welcome the bilateral action being taken by the Government, including the steps that he has announced today and the visit of the International Development Secretary. May I ask what support the Prime Minister is also offering to multilateral organisations such as the World Food Programme and the United Nations High Commissioner for Refugees in dealing with what is, as the Prime Minister says, a growing refugee emergency on the Libyan border?

The Prime Minister: I thank the right hon. Gentleman for his question. In addition to the steps I announced about the airlift from the Tunisian border back to Egypt, there is also HMS York, which has now docked in Benghazi carrying a lot of medical and other supplies and will be able to help with the humanitarian mission. He asked specifically about helping the multilateral organisations. Obviously, we are in very close touch with them, particularly with OCHA—the United Nations Office for the Co-ordination of Humanitarian Affairs—and Valerie Amos. We are delighted that it is John Ging, whom many in the House will know from the UN and his excellent work in Palestine for UNRWA—the United Nations Relief and Works Agency—who will be co-ordinating that effort. We will remain in close contact with them as one of their lead partners and will do everything we can to help to co-ordinate this effort. We have the forward-basing of a lot of tents and other equipment in Dubai, which means that it is relatively close to the area. We will go on doing everything we can to ease the problems at the border and to make sure that this emergency does not turn into a crisis.

Edward Miliband: I thank the Prime Minister for that reply. I am sure he will keep the House updated. We both agreed on Monday that the international community must take all practical steps for a democratic outcome in Libya. On Monday, the Prime Minister floated the idea of a no-fly zone. On Tuesday, however, a number of foreign Governments distanced themselves from the idea. Can he clarify where that proposal now stands?

The Prime Minister: Our first priority as a country should, of course, be to evacuate our fellow countrymen from Libya. That process has gone well and there are very few who want to leave who are still in Libya. The second thing that we should do is put every available pressure on the Libyan regime. We have done that through travel bans, asset freezes and arms embargos, and we should keep on looking for other ways in which we can pressurise the regime.

We have just spoken about the humanitarian crisis, and the next steps that we must take to ease it. What I was saying on Monday and say again today is that I think it is the job of leaders in the western world in particular to prepare for all eventualities and all the things that might happen, particularly if Colonel Gaddafi unleashes more things on his own people. On those grounds, we should be and we are looking at plans for a no-fly zone. I was particularly heartened by what Secretary of State Clinton said—that a

> "no-fly zone is an option we are actively considering."

These matters are being discussed in the North Atlantic Council this morning, and it is right that they are.

Edward Miliband: I emphasise to the Prime Minister, as I am sure he will agree, that there was a clear sense of unity in the international community over sanctions. Clearly, that is what we must strive for in any future decisions that we make. He will understand the concern in the country and the armed forces that after he spoke about the no-fly zone, the Government issued redundancy notices to thousands of Royal Air Force personnel. Can he reassure the House and the country that any increase in our military commitments that he is talking about, including in north Africa, can be met at a time when we are reducing capability?

The Prime Minister: I can give the right hon. Gentleman that assurance. Let me be clear. Of course, it is never easy to reduce the numbers in our armed forces, but this

Government decided, quite rightly, to hold a strategic defence review because we had not had one for 12 years and we inherited a defence budget that was in a state of complete chaos. The background to the defence review is the enormous black hole in our nation's finances, but the aim of the defence review is to make sure that we have flexible, well-equipped armed forces that are able to serve our national interests around the world. That is exactly what I believe they will be able to do.

Q2. [42574] **Penny Mordaunt** (Portsmouth North) (Con): After Romford hospital, next on the waiting list for private finance initiative surgery should be Portsmouth's Queen Alexandra hospital. Does my right hon. Friend agree that massive annual repayments and restrictive procurement practices are preventing best care from being delivered, and that the contract should go under the knife and the savings given to Portsmouth's health economy, not Treasury coffers?

The Prime Minister: My hon. Friend makes a good point, which is that next to the Ministry of Defence budget, the other shambles that we inherited was the PFI programme. The public sector is going to be spending about £8 billion on PFI contracts just this year, so we must examine all those contracts for savings. Let me give my hon. Friend a couple of examples of the nonsense that we inherited under those contracts—*[Interruption.]* Opposition Members may not want to hear it: £333 to change a hospital light switch; £963 for a new TV aerial in a hospital. Some of the terms of the contracts are disgraceful and it is right that we look at them.

Q3. [42575] **Siobhain McDonagh** (Mitcham and Morden) (Lab): On the "Politics Show" of 13 February, Boris Johnson's deputy mayor with responsibility for policing, Kit Malthouse, boasted that he would ensure that every safer neighbourhood team in every ward in London would keep its two police constables and three police community support officers, and that he had the power to guarantee that. However, police officers in Mitcham have already told my constituents that those teams have been merged and that every safer neighbourhood team has been reduced to one police officer. Who does the Prime Minister believe—the London Mayor or serving police officers?

The Prime Minister: It is worth listening to both serving and retired police officers. The hon. Lady might want to listen to Jan Berry, who for years led the Police Federation, who said:

> "With unnecessary bureaucracy being added at every tier of policing from the local to the national . . . I estimate one third of effort"—

one third—

> "is either over-engineered, duplicated or adds no additional value. This is unaffordable in the current climate and"

we need to give consideration to how we can realise savings in time and energy. As in so many areas, we inherited a police service completely inefficient and not properly managed by Labour.

Q4. [42576] **Mark Pawsey** (Rugby) (Con): There is an independent committee that ensures that once they have left office, former Ministers act appropriately in their subsequent employment. It is reported that Lord Mandelson, Baroness Symons and Adam Ingram have worked for the Gaddafi regime. Will the Prime Minister ensure that these reports are thoroughly investigated?

The Prime Minister: My hon. Friend makes a good point, and I am sure that those ex-Ministers will want to refer themselves immediately to that committee so that their links can be looked into.

Edward Miliband: The Prime Minister and the Secretary of State for Communities and Local Government are adamant that there is no need for cuts in local authority front-line services. Can he therefore explain why Conservative-run Bromley council is shutting 13 of its 16 children's centres?

The Prime Minister: Yes, we have made reductions in local government grant, because frankly we inherited a complete mess in the nation's finances. What we have done is ask every single local authority to make public every single bit of spending they do so that members of the public can make sure that they are cutting bureaucracy, cutting councillor allowances and cutting pay, rather than cutting services. When the right hon. Gentleman gets to his feet, perhaps he can tell us why only one authority in the entire country, Labour-run Nottingham, refuses to do so.

Edward Miliband: You know he is losing the argument when he starts asking me the questions, Mr Speaker. Why are the cuts being made in Sure Start children's centres? It is because the right hon. Gentleman is cutting the early years budget. The Department for Education's own figures show an 11% cut between this year and next; and he is not just cutting the budget—he has removed the ring fence that protected it and kept those Sure Start centres open. We are getting used to the Prime Minister's Question Time U-turn. We have seen it on school sport, housing benefit and, most recently, on forests. He has the capacity to ditch a policy and dump a colleague in it, so when he returns to the Dispatch Box, why does he not dump this policy too and reinstate the Sure Start ring fence?

The Prime Minister: In a minute, he is going to give me a lesson on family loyalty. Let me say this to the right hon. Gentleman: he comes here every week and says that he opposes the defence cuts, opposes changes in the Home Office and opposes any changes to local government, yet in four weeks' time his own cuts programme, the Darling programme, comes into place, with £14 billion of cuts, which is only £2 billion less than we propose. It is about time he got off his opportunistic bandwagon and started producing some policies of his own.

Edward Miliband: This is a guy who has made his career out of opportunism knocks. Remember what he said at the election: he was strongly committed to Sure Start; he would improve Sure Start; and if anyone suggested otherwise, it was an absolute disgrace. As children's centres face closure, people know that he has got it in his power to stop it happening by reinforcing that Sure Start ring fence. He is the Prime Minister; it might not have looked like it last week, but why does he not get a grip?

The Prime Minister: What we are doing for children in this country is funding education for two-year-olds for the first time, putting money into the pupil premium—something the right hon. Gentleman did not do for 13 years—and making sure that money is focused on the most disadvantaged. That is what is actually happening. When the party opposite looks at his performance—*[Interruption.]*

Mr Speaker: Order. Let us have a bit of order in the House. I want to get to the bottom of the Order Paper and the House needs to help in that process.

The Prime Minister: The money for Sure Start is there, so centres do not have to close. *[Interruption.]* Yes, and I think that when the Opposition consider the right hon. Gentleman's performance it could be time for a bit of "Brother, where art thou?"

Mr Roger Gale (North Thanet) (Con): Recently, eight Members from both Houses of Parliament met, in Islamabad, Mr Shahbaz Bhatti. This morning, we learned that Mr Bhatti, on his way to work, was murdered. Mr Bhatti was a man committed to peace and multi-faith reconciliation. Will my right hon. Friend send through the high commission our condolences to the Pakistani Government and to his family, and will he restate our belief that there is no place for that kind of action anywhere in a democratic world?

The Prime Minister: I think my hon. Friend speaks for the whole House and, I am sure, the whole country. It was absolutely shocking to hear the news this morning about that Minister, who was a Christian minister in Pakistan, being killed in that way—absolutely brutal and unacceptable. It shows what a huge problem we have in our world with intolerance, and what my hon. Friend says is absolutely right. I will send not only our condolences, but our clearest possible message to the Government and people of Pakistan that that is simply unacceptable.

Q5. [42577] **Stephen Timms** (East Ham) (Lab): Two weeks ago, the Prime Minister gave the House some figures to criticise the flexible new deal. I thought they sounded a bit odd, so I asked the Library to check, and its response states:

> "This is a misleading interpretation of the statistics."

The Library points out that the Department for Work and Pensions website warns directly against interpreting the figures in the way the Prime Minister interpreted them. In future, can he get someone to check his figures before he gives them to the House?

The Prime Minister: I can assure the right hon. Gentleman that the figures were properly checked, and I shall write him a letter outlining not only the figures for the flexible new deal, which so many people know was just a revolving door for young people who needed employment, but the figures for the future jobs fund, which cost five times as much as many other programmes.

Q6. [42578] **John Glen** (Salisbury) (Con): With the police using 2,000 different IT systems employing 5,000 staff, is it not time for this Government to start reforming police practices, so that more resources can be devoted to fighting crime on the front line?

The Prime Minister: My hon. Friend makes an extremely important point. The British police are incredibly brave and professional, and all of us see how hard they work in our communities, but they are let down by a system that has far too many officers in back-office roles, in HR and in IT, and not on the streets. That is what needs to change, along with some of the working practices that, frankly, are not actually modern and up to date. We need to make sure that that happens so that we keep the maximum number of police on the front line in our communities.

Q7. [42579] **Mr Gregory Campbell** (East Londonderry) (DUP): The armed forces have our total support and admiration, and traditionally they would have looked to a Conservative Government, whether in good economic times or bad, to defend them as they defend us. Given the deplorable treatment that they are currently receiving, whether by e-mail or hard copy, what plans does the Prime Minister have to restore faith in government?

The Prime Minister: Everyone in the House appreciates that our armed forces are among the most brave and professional anywhere in the world, and we can be incredibly proud of what they do. In terms of making sure that we look after them, the Government have introduced a doubling of the operational allowance for all those serving in Afghanistan; we are the first Government in history to introduce a pupil premium so that the children of service personnel get extra money when they go to school; we are making sure that rest and recuperation leave is properly formed; and we are writing out the military covenant and properly referencing it in law. The most important thing of all is to have a defence review and to make sure that our forces are fit for the future.

To all those who express concern, I make this point: at the end of that defence review, we will have the fourth largest military budget in the world; some of the most capable weapons that any air force in the world could have; the new Type 45 destroyers; our nuclear deterrent; and a superbly professional Army. That is what we want in this country, and that is what this Government will support.

Q8. [42580] **Andrew Jones** (Harrogate and Knaresborough) (Con): Will the Prime Minister join me in encouraging schools in my constituency and right across the country to get involved in the Tenner Tycoon school business competition, which encourages enterprise and is running this month?

The Prime Minister: Yes, it sounds like an excellent scheme. There is a lot that we should do to encourage business and enterprise to go into our schools to encourage young people to think about a career in starting up a business, in small business and in enterprise. That is a very important part of a rounded education.

Q9. [42581] **Sheila Gilmore** (Edinburgh East) (Lab): On Sunday, a woman asked me what politicians were going to do for people like her, as she had been waiting for a disability living allowance appeal for 11 months. Given the roll-out of the employment support allowance and the proposals for more reviews and more assessments in DLA, what plans does the Prime Minister have for expanding the Tribunals Service, and has this been fully costed in his welfare reforms?

The Prime Minister: This House will obviously have a lot of opportunity to debate the Welfare Reform Bill, which is one of the most complex and detailed pieces of legislation on reforming our welfare system. On DLA specifically, what we are looking for, in terms of the gateway, is to make sure that people have a proper assessment for DLA, because there are too many cases where people need it and do not get it and, regrettably, some cases where people do not need it and do get it, and we need to put that right.

Sir Peter Tapsell (Louth and Horncastle) (Con): While we must clearly do everything that we can to help the non-Libyans who are seeking to get out of that country, may we hope that the Libyans will be allowed to determine the fate of Colonel Gaddafi?

The Prime Minister: I very much hope that they do. We should support and say how much we admire those brave people who are standing up in their own country asking for greater freedoms and greater democracy—for things that we take for granted in our own country. What has been striking is that although many said that any sort of rebellion like this would be extremist, or Islamist, or tribal, it is none of those things; it is a revolt by the people, who want to have greater democracy in their country.

Q10. [42582] **Graeme Morrice** (Livingston) (Lab): Last week, Save the Children published research showing that 1.6 million children are living in severe poverty in the United Kingdom, yet this week the Government have failed to include low-income families in the warm home discount scheme for rebates on their energy bills. Will the Prime Minister meet Save the Children on this critical issue and ask the Chancellor to publish an emergency plan to tackle severe child poverty in the Budget and the child poverty strategy later this month?

The Prime Minister: I do see Save the Children regularly. It is an excellent organisation in terms of the work that it does overseas and the pressure that it rightly brings to bear here in this country. What we have done in trying to help with child poverty is to make sure that we massively increase the child tax credit. That is what we have done in the Budget and in the spending round to make sure that while we are making difficult decisions, child poverty has not increased.

Q11. [42583] **Gareth Johnson** (Dartford) (Con): The Prime Minister will know that for years the welfare state has been too easily abused. Can he therefore assure this House that in future the welfare state will act as a safety net for the unfortunate and not as a way of life for the workshy?

The Prime Minister: What this Government are doing—and it is a historic reform—is making sure that the welfare state always means that it is worth while someone being in work and worth while someone working more. That is what universal credit is all about, and it will make a huge difference to welfare in this country.

Q12. [42584] **Teresa Pearce** (Erith and Thamesmead) (Lab): Many of the poorest and most disadvantaged children in my constituency will not be included in the pupil premium because their parents are still waiting for their immigration status to be settled and therefore have no access to funds and are not eligible for free school meals. Will the Prime Minister ask his Ministers to meet me and other Members in constituencies like mine to discuss a way to capture these children to ensure that our schools are not underfunded?

The Prime Minister: The hon. Lady makes an important point. When we established the pupil premium, we had a number of discussions to try to work out the best basis to put it on. In the short term, the free school meals indicator was the best basis. However, I am very happy to arrange a meeting between her and my right hon. Friend the Education Secretary to see what we can do to make sure that we really are targeting those most in need. There may be opportunities, perhaps not this year but in the future, to make sure that the pupil premium is helping those who most need it.

Stephen Williams (Bristol West) (LD): Yesterday, the Secretary of State for Transport made a most welcome announcement on the electrification of the Great Western main line to Bristol, Cardiff and the south Wales valleys, including the fact that the jobs producing those trains will be in the north-east of England. Does not this show that the coalition Government not only have a strategy for growth but that that vision for growth is both high-tech and green?

The Prime Minister: The hon. Gentleman makes a very good point. In 13 years, the previous Government never electrified the west coast main line out to Cardiff. We have managed to announce it within nine months. He is absolutely right. The good news is not just the electrification of the line to Cardiff, but the new factory in Newton Aycliffe that will build the trains and that we are pressing ahead with High Speed 2.

Q13. [42585] **Tom Blenkinsop** (Middlesbrough South and East Cleveland) (Lab): Does the Prime Minister think he was right to tell journalists on a plane that the United Kingdom is paying bribes to Libya, and does he agree with the Foreign Office's assessment that he was "loose-tongued and reckless"?

The Prime Minister: I am, of course, very grateful for that question. The point I would make is that in getting people out of Libya, we did have to pay some facilitation payments for the services in the airport. As the hon. Gentleman says, I am sure that those were entirely proper.

Q14. [42586] **Mr Philip Hollobone** (Kettering) (Con): The Royal British Legion has welcomed the Prime Minister's personal commitment to a new military covenant being enshrined in the law of the land, but it has made it clear that it does not accept that the Government's proposals for an annual armed forces covenant report honour that promise. Will he work constructively with the Royal British Legion to agree a definition of the military covenant that can be enshrined in legislation?

The Prime Minister: I am very happy to work with the Royal British Legion. It is one of the most important and hard-working organisations in our country. Not only does it do a great job in lobbying for the armed forces, it does a brilliant job in looking after former service personnel in all our constituencies. I am happy to have that conversation. However, I want to ensure not only that we reference the covenant properly in law, but that we regularly debate, improve and enhance it, partly through debates in this House.

Mr Nigel Dodds (Belfast North) (DUP): I thank the Prime Minister and the Secretary of State for Northern Ireland for their work in securing an extra £200 million for the Police Service of Northern Ireland to combat the dissident terrorist threat. That will undoubtedly save lives and prevent the creation of further victims. On victims, given our campaign for compensation for the victims of Libyan state-sponsored IRA terrorism, will the Prime Minister give an assurance that before the normalisation of relations with Libya under any new regime, the outstanding matter of compensation will be addressed by the Government, not least through the use of Gaddafi assets seized in Britain?

The Prime Minister: First, I thank the right hon. Gentleman for what he said about the additional funding for the police in Northern Ireland. It is absolutely vital that we work hard with its Administration to ensure that the security situation there is as good as it can be. On what he said about compensation from the Libyans to victims of IRA terror, an FCO-led unit is still working on that issue and it is vital that it continues to go on doing that. It is an ingenious idea to use the frozen assets in that way. Having sought advice, those assets really belong to the Libyan people. The whole problem with Libya is that it is a rich country with poor people. We can see that in the extensive assets that have been frozen. Those assets belong to the Libyan people first and foremost.

Q15. [42587] **Mark Lancaster** (Milton Keynes North) (Con): Milton Keynes council has been praised for its commitment to publishing all expenditure of more than £500, ensuring that local residents can see exactly how their council tax money is being spent. What message will the Prime Minister give to other local authorities that seem determined to keep their residents firmly in the dark?

The Prime Minister: My hon. Friend makes an extremely good point. I know that the Labour party is embarrassed about this, because we now have transparency from every single council in the country apart from one that is controlled by the Labour party—Nottingham—which will not tell us where it is spending its money. I want every single person in our country, every single Member of Parliament and all councillors to be able to ensure that the money is going on services and not on salaries, bureaucracy and allowances. That is the pressure at a time of austerity and of difficult national decisions. How typical it is of Labour just to try to cover it all up.

Richard Burden (Birmingham, Northfield) (Lab): In response to a question from me in December, the Secretary of State for Communities and Local Government expressed himself as "delighted" with the level of cuts faced by Birmingham. Yesterday, Birmingham city council cut £212 million from its budget, hitting care for the elderly and the disabled, and youth services. Does the Prime Minister share his Communities Secretary's delight or does he think that Birmingham is going too far, too fast?

The Prime Minister: Every council in the country is having to make difficult decisions about reducing their spending. When we look at what is actually happening to Government grants, we see that in most cases, they are going back to the levels that we had in 2007, 2006 or, in some cases, even 2009. Everyone has to take part in this, and I would just remind the hon. Gentleman that the reason this is being done is because his party made a complete mess of the economy.

Mr Robert Buckland (South Swindon) (Con): At a time when prices at the petrol pumps are going up and up, will the Government do all that they can to ease the pressure on hard-pressed motorists?

The Prime Minister: My hon. Friend makes an extremely good point. I know how difficult it is for motorists, and particularly for small businesses and families, when they are filling up at the pumps and paying more than £1.30 a litre. As we have said, we will look at the fact that extra revenue comes to the Treasury when there is a higher oil price, and will see whether we can share some of the benefit of that with the motorist. That is something that Labour never did in all its time in government, and it ought to be reminded of the fact that it announced four increases in fuel duty last year, three of which were due to come in after the election.

Rachel Reeves (Leeds West) (Lab): The £90 million of cuts to the budget of Leeds city council means that Bramley baths in my constituency will have its hours cut so that school children will not be able to swim there any more. How does that fit with the Government's ambition for school sports and for the Olympic legacy for Leeds?

The Prime Minister: We do want to see a proper legacy come out of the Olympics. That is why we are funding the Olympics properly and why we have made it very clear that the extra money will be made available for school sport. But, if we look at education funding, we can see that funding per pupil is not being reduced. Because of difficult decisions being made elsewhere, which Labour has never supported, we are maintaining per-pupil funding for students throughout our country. That is the right decision, and it is one that the hon. Lady should get behind.

Gordon Birtwistle (Burnley) (LD): When Colonel Gaddafi is finally removed, is the Prime Minister confident—*[Interruption]*—that an interim Government can be found to prevent the country from falling into anarchy?

The Prime Minister: I would advise my hon. Friend to ignore the voices from the Opposition. They are just furious at the fact that he liberated a long-held Labour seat. He makes a very good point. One of the things that we are doing, currently and in the coming days, is making contact with the opposition in Benghazi to ensure that we have good contacts with them so that we can help to bring about a peaceful transition in Libya.

Mr Speaker: Order. We come to the urgent question. Will right hon. and hon. Members who are not staying for this business but are leaving do so quickly and quietly so that the exchanges on the urgent question can take place properly?

Armed Forces (Redundancies)

12.32 pm

Mr Jim Murphy (East Renfrewshire) (Lab) *(Urgent Question)*: To ask the Secretary of State for Defence if he will make a statement on redundancies in the armed forces.

The Secretary of State for Defence (Dr Liam Fox): On 19 October last year, in the strategic defence and security review, the Government announced reductions in the size of the armed forces, reducing the Army by 7,000, the RAF by 5,000 and the Navy by 5,000. This was to reshape the armed forces for Future Force 2020 and also to respond to the budgetary pressures resulting from the need to reduce the inherited deficit and deal with the black hole in the Ministry of Defence's finances.

Following the announcement, normal procedure for proceeding with the redundancies was followed. Let me briefly describe this. The armed forces modelled the manpower that they needed for Future Force 2020 and consulted their own people on the best methods and time scales for achieving that. The families federations have been kept fully informed. Yesterday's announcements were simply part of that process. Following yesterday's announcement of the RAF programme, the Army and Navy will follow on 4 April with their programmes. The Army and RAF will give individuals notice that they will be made redundant on 1 September, followed by the Navy on 30 September. The exact timing of further tranches has not yet been decided.

Afghanistan is the Government's defence main effort. Decisions in the SDSR were therefore weighted towards the protection of capability for the mission in Afghanistan, which, as the Prime Minister has said, will see us transition to full Afghan lead in 2014.

Redundancy is never a painless process, whether in the armed forces or elsewhere, and it is sad to see committed and patriotic men and women lose their jobs. But in that process, it is essential that they are made fully aware of the options available and the time scales involved, which means that a timetable needs to be adhered to, for the sake of themselves and their families. It would simply be wrong to alter that timetable for the convenience of the Government. Personnel were expecting the announcement this week, and to delay it for political expediency would have been to betray their trust. Difficult though it may be, under this Government political convenience will not be the final arbiter of our decisions.

Mr Murphy: I start by associating myself with the Prime Minister's condolences regarding Private Dean Hutchinson and Private Robert Wood.

This is the second time in recent weeks that the Secretary of State has had to come to Parliament in this way. Surely it is not too much to ask that when he is making announcements about 11,000 armed forces redundancies he should volunteer to come here, and not have to be summoned to appear.

Yesterday there was a written ministerial statement, which contained a fraction of the information that was briefed to the media. Some will think that that was because, on the day when the Government were discussing a no-fly zone over Libya, they did not want to defend in the Commons the 2,700 redundancies in the RAF—but I think it is more serious than that. In November the Secretary of State said at the Dispatch Box:

> "no one currently serving in Afghanistan, or on notice to deploy, will face compulsory redundancy."—[*Official Report*, 8 November 2010; Vol. 518, c. 13.]

I always try to give the Secretary of State the benefit of the doubt, as he knows, so I believed him. More importantly, the armed forces and their families believed him. In making that promise he gave his word, and in breaking his pledge he is playing with words.

Why did the Ministry of Defence brief the media yet keep Parliament in the dark? How many people who have served in Afghanistan will be made redundant, and will the Secretary of State repeat his guarantee that no one currently serving in Afghanistan will be sacked on their return? Unless he can answer those questions and give that guarantee, it is disgraceful that some of our forces taking on the Taliban today will be welcomed home as heroes by the public, and sacked by their Government.

Dr Fox: First, as I have just explained to the House, this is not a new announcement but simply procedure following on from the announcements made in the SDSR. Secondly, the right hon. Gentleman is correct to say that this is the second time that we have had an urgent question on this subject, and I noticed that when the Opposition last had the opportunity to ask a question, they were not asking for details about these particular schemes but wanted to talk about e-mails and other peripheral issues. For them suddenly to come forward with a new-found interest in this particular issue strikes me as the most sad and cynical opportunism.

I have repeatedly made it clear that we have compulsory redundancy schemes in the armed forces because we need to maintain the rank structure and skills base required. When compulsory redundancies are announced, they will not affect those in receipt of the operational allowance, those within six months of deploying or those on post-operational tour leave, as I made clear in the House.

Bob Russell (Colchester) (LD): Sadly, the Prime Minister and the Leader of the Opposition have to refer to the fallen on occasions. As we speak, a military funeral is taking place at St Peter's church in Colchester, so the statement that we have been given is very important.

The Secretary of State has twice now given the House assurances that members of 16 Air Assault Brigade from my constituency serving in Afghanistan will not be made compulsorily redundant. Does he agree, however, that the manner in which the Ministry of Defence is handling matters causes concern not only to serving personnel in Afghanistan but to their families back home?

Dr Fox: The processes being followed are those that the armed forces would normally follow when setting out redundancies. There is never a good time to announce redundancies. It is particularly politically difficult when our armed forces are in combat in Afghanistan. However, if we are to keep faith with our personnel, we must follow the timetables that we have set out for them. It would be easy to delay announcements at the inconvenience of our service personnel simply for the convenience for politicians. That is entirely the wrong way to proceed.

Angus Robertson (Moray) (SNP): The Secretary of State knows that Moray is the most defence-dependent constituency in the UK, that a great many people at RAF Lossiemouth and RAF Kinloss have just learned that they are to be made redundant, and that 14 Squadron has just returned from Afghanistan, had a homecoming parade, and is now being disbanded early. Does he understand that that bad news is compounded by the delayed decision and announcement about the future of RAF Lossiemouth?

Dr Fox: At the risk of repeating and repeating myself, I say that the hon. Gentleman makes the point well about the basing review. It will report when we have decided on the best balance across the United Kingdom for the wider interests of UK defence.

Mark Lancaster (Milton Keynes North) (Con): What impact will the reviews have on the current terms of reference for the review of the reserves?

Dr Fox: The review of reserves continues, looking at the financial and capability implications and the wider footprint. It is not directly affected by the results, but on implementation, we would of course have to take into account the shape of the armed forces resulting from the SDSR decisions.

Mr Bob Ainsworth (Coventry North East) (Lab): The Secretary of State is trying to tell us that all the decisions spring from his strategic defence review—but is that true? He did not tell us about the cuts to the Tornado when he cut the Harrier. When the Prime Minister told us that he would protect the infantry, he did not tell us that he would cut the Royal Marines. The Secretary of State, many other Members and I know that decisions are still being made on further cuts in the Ministry of Defence. He criticised us for not having a strategic defence review, but it is becoming increasingly apparent that we still have not had one. He must open up the decision and take some proper, publicly accountable strategic decisions about the shape of our armed forces.

Dr Fox: If I may correct one minor inaccuracy, I said that we had decided to cut 17,000 jobs in the armed forces. In fact, the work that the armed forces carried out means that the figure is considerably smaller. Instead of 7,000, it is 5,000 for the Army; instead of 5,000, it is 3,300 for the Navy.

Of course, the budgetary pressures continue. As any Labour politician knows, the previous Government left Ministry of Defence finances in an absolute shambles. The problem will not be tackled overnight.

Mr John Baron (Basildon and Billericay) (Con): No one should doubt my right hon. Friend's commitment to the welfare of our armed services, but there is a concern that the resources devoted to the Ministry of Defence are top-heavy relative to our troops on the ground. Will he remind the House of the measures that he is taking to ensure that the Ministry of Defence is streamlined?

Dr Fox: It is worth remembering when we discuss those matters that although we have had reductions of some 11,000 in the armed forces, we are looking at reductions of 25,000 in the civil service to bring the MOD into a much better and more efficient shape and to help control the budget. My hon. Friend is correct that we will also look at rank structure to ensure that we are not making reductions in the more junior ranks while maintaining those at a higher level in the armed forces.

Mr Pat McFadden (Wolverhampton South East) (Lab): Will the Secretary of State tell the House what the cost to the Department of the redundancy payments in his announcement will be?

Dr Fox: I am not able to give that figure yet, because the armed forces themselves have not decided which posts will be lost. When we can provide a figure to the House, we will certainly do so.

Patrick Mercer (Newark) (Con): I know how angry the nonsense in the Army a couple of weeks ago, when sergeant-majors and warrant officers were sacked by e-mail, made the Secretary of State. Newark, my constituency, will feel the effect of the RAF redundancies, in particular. Will my right hon. Friend assure me that there will be no further such nonsense when the next announcements are made?

Dr Fox: What I set out today is the correct procedure that should be followed. What we discussed on a previous occasion is what happens when it is not followed. It would have been easy for the Government to say, "We will not go ahead with this programme this week; we will not have those face-to-face interviews with the personnel concerned because it is politically inconvenient for us at this time." That would be the wrong way to proceed. We have a duty of care to those who are being made redundant to ensure that processes and timetables are followed, and that they and their families get the maximum certainty in the circumstances.

Thomas Docherty (Dunfermline and West Fife) (Lab): I am sure that the Secretary of State draws no pleasure from this painful process, but further to the point made by the hon. Member for Moray (Angus Robertson), I and many others struggle to understand why the redundancies are not included in a single package with the base closure programme in July. Would it not have made more sense to do this in a more joined-up way?

Dr Fox: Work will always be ongoing. As well as the basing review, we have the Army returning from Germany and reform of the procurement process, on which I last week set out some additional measures. This is an ongoing process and there will be second and third order changes as a result of the SDSR for some time to come. The Department requires huge downsizing—it has an inherited budgetary deficit of £38 billion—and we cannot expect to do that overnight. Had we done things more quickly, I would no doubt have been accused of rushing the base review as well.

Dr Andrew Murrison (South West Wiltshire) (Con): In the past when we have managed headcount through redundancies, we have also turned off the tap on recruitment and training, with disastrous long-standing consequences. Will my right hon. Friend assure me that we will continue to try to attract the highest-quality young people to our armed forces and to train them properly?

Dr Fox: We will continue to recruit the highest calibre possible. Some reductions in redundancies have been achieved by slowing down the number of those coming into the armed forces, but we cannot avoid redundancies through that process, because we need to continue to recruit, not least for the campaign in Afghanistan.

John Woodcock (Barrow and Furness) (Lab/Co-op): In the light of the Secretary of State's announcement that 170 trainee pilots will not be retained by the RAF, will he say how much it costs to train such a pilot in the first place?

Dr Fox: I am not sure that that figure is available, but I will try to find out. It is important that when we are unable to continue training, we will offer those concerned alternative careers inside the RAF where possible. However, it is inevitable that if we reduce the number of aircraft, we will have a reduced requirement for pilots. Those trainees will not continue to the end of their traineeship because there has been a reduction in the size of the aircraft fleet, which, as I said, is a necessary part of the spending reductions required to bring the budget into balance. We did not create that budget; we inherited it.

Claire Perry (Devizes) (Con): My constituency is home to most of the Salisbury plain garrison towns. We will wait with eager anticipation to see the final numbers in September, but can the Secretary of State assure the House, first, that those who are injured in the line of duty will not be in the first line for redundancies, and secondly, that we will do all we can to support those who leave the armed forces in moving into other roles, particularly in teaching and in mentoring young children?

Dr Fox: My hon. Friend makes two very important points. First, clearly, when those who have been injured are still recovering, there will be no question of redundancy. Secondly, it makes a great deal of sense to encourage such mentoring programmes. We often hear that young people do not have sufficient role models, and getting people from the armed forces into our schools will provide young people with the sort of role models that will be of real value to them.

Gregg McClymont (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): Can the Secretary of State repeat his previous pledge that no member of the armed forces who is currently serving in Afghanistan will be made redundant?

Dr Fox: When we finally get to the point when redundancies are announced—that is some way off yet—nobody who is in pre-deployment training, or deployed and in receipt of the operational allowance, or recovering from injuries sustained on operations, or on post-operational leave, will be made compulsorily redundant.

Elizabeth Truss (South West Norfolk) (Con): It is sad news that 13 Squadron at RAF Marham is to be disbanded, although I understand that this will not lead to automatic redundancies. Further to earlier questions about the basing review, which the Secretary of State has said will be announced in the spring or summer, can he confirm that it will not only cover the short term and the Tornado, but look at where the joint strike fighter will be based, to provide long-term security for the armed forces personnel in my constituency?

Dr Fox: The basing review, when it is announced, will examine what we require in line with Future Force 2020 and the strategy set out in the SDSR, and it is only appropriate that it should do so. It is much better that we should have a clearly set out aim-point of 2020 and be working towards that. Given the shambolic budget and the deficit that we inherited, we all recognised that we would not be able to make changes overnight. In 10 months we have gone quite far in returning that budgetary imbalance to a more sustainable position, and we intend to do the same with the basing review.

Clive Efford (Eltham) (Lab): The scale and pace of the cuts that the coalition has decided to implement go far deeper and faster than is necessary to deal with the deficit. Can the Secretary of State say whether those cuts are permanent?

Dr Fox: The fact is that there has not been even a hint of an apology from the Opposition about the appalling situation that they left behind. Nobody on the Government Benches came into politics to see cuts in our armed forces; they were forced on us by the utter incompetence of the Government who went before us. I also noticed that in the question asked earlier by the right hon. Member for East Renfrewshire (Mr Murphy), there was no hint of what Labour policy is, or what the Opposition might do to reverse any of the cuts.

Jack Lopresti (Filton and Bradley Stoke) (Con): Will any of the changes affect our ability to assist in any potential no-fly agreement over Libya?

Dr Fox: As of this moment the changes are being considered—they will be announced later in the year—so obviously none will impact on any short-term decision about a no-fly zone in Libya.

Geraint Davies (Swansea West) (Lab/Co-op): At a time of enormous uncertainty—not just about Libya, but about the middle east and northern Africa—does the Secretary of State agree that making long-term strategic reductions in our capabilities for short-term cost reasons will hearten the Taliban and encourage their resurgence in future years, in the knowledge that we are in disarray over piecemeal successive cuts to our strategic capability?

Dr Fox: The idea that these are short-term cuts for short-term reasons beggars belief. Next year we will spend more on debt interest than on defence, the Foreign Office and aid put together. Even if we eliminate the deficit in this Parliament, the debt interest will still go up, so future generations will still be living with the legacy of Labour's economic incompetence. This is not something short term; this is long-term pain imposed on the British people by the economic incompetence of another socialist Government.

Dan Byles (North Warwickshire) (Con): The Secretary of State will be aware that Defence Medical Services have for some time struggled to maintain the correct numbers of certain clinical specialists. Can he assure the House that any potential reduction in size of Defence Medical Services will not jeopardise its ability to grow and retain those key clinical personnel?

Dr Fox: It is a key point that we have those appropriate personnel. Indeed, in the review of the reserves, which has already been mentioned, I am particularly concerned to ensure that we retain full access to medical specialties. However, although we may be saturated in terms of secondary care, there is still scope to improve the primary care offered in the armed forces through the reserves.

Mr Gregory Campbell (East Londonderry) (DUP): What assurances can the Secretary of State give senior military personnel who have expressed their opinion on this matter that, following the announcement of the decisions, we will have the capability to deal with the potential threat in the near future?

Dr Fox: The hon. Gentleman asks a good question—and as I have explained, that is why we have compulsory redundancies in the armed forces. We cannot simply accept the people who volunteer for redundancy, because we have a duty to maintain the rank structure and the appropriate skills. That is why we will allow people to volunteer for the scheme, but ultimately we may not be able to accept all who volunteer, and may have compulsory redundancies elsewhere instead. It is for the very reason that the hon. Gentleman raises—because we have to maintain the skills and structures involved—that we have a compulsory scheme in statute in this country.

Jason McCartney (Colne Valley) (Con): As a former RAF officer who took advantage of a previous redundancy scheme, I was pleased to visit 1466 Air Cadet Squadron in Holmfirth recently. Many of the young people there aspire to serve in the Royal Air Force. They are the potential brave servicemen and women of the future, so will the Secretary of State confirm that we will keep their morale up?

Dr Fox: It is always worth pointing out to those who wish to have a career in the armed forces that there is a bright future for them. Under Future Force 2020, not only will Britain have the fourth biggest defence budget in the world, but the RAF will see the number of Typhoons grow and the introduction of the new joint strike fighter, and we will also upgrade our lift capability through the introduction of the A400M. I would certainly encourage anyone who wants to continue with their careers to do so, but I also warn Opposition Members that playing politics with redundancies or other issues that have a clear impact on morale is extremely dangerous.

Nick Smith (Blaenau Gwent) (Lab): Yesterday the Secretary of State tabled a statement outlining his plans for members of the armed forces and their redundancies. He told the House that nobody preparing to deploy in Afghanistan, serving in Afghanistan or recently returned from Afghanistan would be made redundant. Within minutes the media were reporting that this was not the case. He seems to be dodging the issue today, so will he now repeat that exact pledge on the Floor of the House?

Dr Fox: I will say it for the third time in the House, although I should say to the hon. Gentleman that I can only explain it to him; I cannot understand it for him. At the point where any compulsory redundancies are made—that will be some time later in the year, as I have made clear in the timetable already set out by the armed forces—no one serving in Afghanistan in receipt of the operational allowance, no one preparing to go there, nobody on post-deployment leave and nobody who is recovering will be made compulsorily redundant.

Andrew Selous (South West Bedfordshire) (Con): Can my right hon. Friend explain why 2 Tornado Squadron was earmarked for removal from service this week?

Dr Fox: The squadrons that were removed from service were not covered by the SDSR announcement; what happened was the result of the previous Government's decision in the 2009 planning round, which is now being implemented.

Anas Sarwar (Glasgow Central) (Lab): We must not forget that 11,000 of our bravest men and women have lost their jobs because of the Secretary of State's decision. Many of them, and their families, watching or listening will find his tone rather distasteful and smug at this time. We must remember that they are men and women who risk their lives every day in defence of this great country. They deserve a lot more respect than they are being shown in the Secretary of State's answers.

Dr Fox: Clearly we are going to disagree on our approach, because what the hon. Gentleman calls smug, I would call angry. We are very angry indeed that we were left with a £38 billion hole in the Ministry of Defence and a massive national deficit, the interest payments on which are bigger than our defence budget. We are angry, but we are absolutely determined to get the situation under control, and then we will urge the British people never again to elect such an economically incompetent Government as the previous one.

Stephen Phillips (Sleaford and North Hykeham) (Con): My right hon. Friend was kind enough to write to me yesterday following his statement, knowing that RAF Cranwell is in my constituency. All serving RAF personnel in my constituency well understand the £38 billion hole that we were left with by the last Government. However, RAF Cranwell is considered the home of the Royal Air Force. Can he give me an assurance today that it will always be considered the home of the Royal Air Force?

Dr Fox: That is the tide of history, and nothing I could say or do would change it. However, I reiterate to my hon. and learned Friend that we must go through the proper processes where redundancies are concerned. We must stick to the timetables concerned, because that is part of our duty of care to the men and women who serve in our armed forces. We cannot have arbitrary dates set to suit a political timetable, at the expense of our armed forces. That would be quite wrong.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): I understood from yesterday's statement that 170 RAF trainee pilots would not be retained. In his response to my hon. Friend the Member for Barrow and Furness (John Woodcock), the Secretary of State seemed to imply that they would be redeployed in the RAF. Can he confirm whether we are talking about cuts, with those pilots leaving the RAF, or whether they will be used for something else?

Dr Fox: I am grateful to the hon. Lady. The reductions are a consequence of reducing the number of aircraft in the RAF, so there is also a reduction in the number of pilots needed, and therefore a reduction in the number of pilots in training. If alternative employment within the RAF can be found for those individuals, we will attempt to provide it.

Mr Philip Hollobone (Kettering) (Con): Will the Secretary of State be kind enough to outline the terms of a typical redundancy package? What is the reserve liability for those unfortunate enough to be made redundant?

Dr Fox: Because there is such a wide range of individuals who might be leaving the armed forces, it is difficult to say what a typical package would be. It will also range across the three services, as well as depending on seniority. I will attempt to get for my hon. Friend an indication of what the numbers might look like, although I cannot guarantee that will be able to do so with any great accuracy.

Ian Paisley (North Antrim) (DUP): The Secretary of State's commitment to armed services personnel who will be deployed in the future is welcome. However, does that commitment extend to armed service personnel currently deployed in Afghanistan, such as the Royal Irish Regiment, and what consultation will the right hon. Gentleman carry out with the regional representatives of those armed forces personnel?

Dr Fox: In looking at their personnel, the armed forces will want to consider a range of issues, not least which personnel they want to retain and which personnel they might accept for compulsory redundancy. If the hon. Gentleman wishes to raise any specific issues with any of the service chiefs, I am sure that they would be happy to listen to his representations.

Stephen Mosley (City of Chester) (Con): Has my right hon. Friend given any consideration to providing extra support for personnel made redundant, to help them move out of the military and secure jobs in alternative employment?

Dr Fox: As I said some time ago in the House, it takes time to transform a civilian into a member of the armed forces, and it takes time to transform a member of the armed forces back into a civilian. It is absolutely necessary to give our full support to all individuals who are leaving. We have set out some particular programmes relating, for example, to those who could move into teaching or mentoring, and we will continue to look at how many programmes we can bring in to ensure that the transition back to civilian life is as smooth and productive as possible.

David Rutley (Macclesfield) (Con): I am staggered by the short memories of Labour Members about the scale of the economic challenges facing the country and the Department as a result of the incompetence of the last Government. Will my right hon. Friend tell us whether other trusted allies are also realigning their military forces in the light of economic challenges and changing strategic priorities?

Dr Fox: All countries need to continue to do so. The fact that the United Kingdom, with the world's fourth biggest defence budget—still above 2% of GDP spend, which is our NATO commitment—has been able to do so, and to announce investment in programmes ranging from our submarine programme, our lift capability and our fast jets while making changes to Army structure, is a testament to the skills in our armed forces. Notwithstanding the horrendous financial situation that we inherited from the previous Government, the skills of our armed forces are contributing hugely to our ability to reach a path in 2020 whereby this country can hold its head high on defence.

Mr Speaker: I must thank the Secretary of State and all right hon. and hon. Members for their succinctness, which enabled every colleague who wanted to take part in these exchanges to do so.

BILL PRESENTED

Prevention of Terrorism Bill

Presentation and First Reading (Standing Order No. 57)

Mr William Cash presented a Bill to make provision about the prevention of terrorism.

Bill read the First time; to be read a Second time on Friday 10 June, and to be printed (Bill 158).

Medical Insurance (Pensioner Tax Relief)

Motion for leave to bring in a Bill (Standing Order No. 23)

1.4 pm

Sir Paul Beresford (Mole Valley) (Con): I beg to move,

That leave be given to bring in a Bill to provide for tax relief on medical insurance premiums for people above a certain age; and for connected purposes.

As a very part-time dentist, I must declare a possible interest, although I cannot quite see the link, and I had better also put in for a prospective interest, given that I age day by day and pension age might come upon me.

As in much of the south-east, life expectancy in Surrey is somewhat higher than the England mean. The average male life expectancy in England is about 78 and it is 82 for females. In Surrey, it is about 82 and 86 respectively. Additionally, the proportion of people aged 65 and over in my Mole Valley constituency is about 20% or slightly more—one in five.

Speaking as someone with a professional interest in health and as an MP observing my constituents' health, it is obvious to me that longevity brings with it a high demand for health care and large demands on the health services, especially cardiac, carcinoma and orthopaedic services. A plane load of Surrey Saga tourists would really set the airport metal detectors buzzing as they passed through with their hip and knee replacements.

The Mole Valley constituency is served by three good NHS hospitals: the East Surrey, the Royal, and the Epsom. These hospitals have expanded in certain health areas to meet the increasing demand for elderly health treatment. The best example is the Epsom hospital special orthopaedic unit that carries out more than 3,000 hip and knee replacements annually—and the number is increasing. Almost all those 3,000-plus are elderly people from surrounding areas, including my constituency. Local medical problems have been looked at, but there has also been a call for an enhanced and enlarged cardiac unit at Epsom as part of the retention and refurbishment of the NHS hospital.

I provide those two examples as they represent a sample of the increased health demands for NHS health care that come predominantly from the over-65s. This is not special or specific to Mole Valley or to Surrey, but to a greater or lesser degree is nationwide for the 65-plus age group. In addition to being served by those three hospitals, my elderly constituents are served by private hospital services. Some are relatively local, but others demand travel to London and beyond.

Approximately 12.5% of the UK population are covered by private health insurance. Approximately 70% of that cover is corporate, leaving about 30% of it individual. At retirement, many people may wish to take over their corporate private health insurance, but the personal cost of course becomes a factor. Additionally, many who have personally funded their health insurance might not feel able to do so when a regular personal income is merely pension or savings. This means that, as the over-65s' need for health care increases, individuals will increasingly turn to the NHS and absorb the facilities they would not have taken if they had been covered by their health insurance at a private hospital.

Before March 1997 when tax relief was available to the over-60s, it was estimated that tax relief was paid in respect of 400,000 contracts to cover 600,000 individuals. Over a seven-year period from 1990, tax relief for the over-60s cost £560 million. However, that included a period when the relief applied across all taxpayer rates. In 1994, this was reduced to apply to the basic rate tax only. Unlike my proposal, the relief started at 60, not 65, which affected the call on the taxpayer. The Western Provident Association estimated that 40% of pensioners would discontinue their private health insurance when the cut came into force in 1997. *Which?* reported in 2002 that private health insurance coverage was lowest for the high-demand 65-plus age group.

Those who choose to have personally funded private health insurance pay twice for their health—in premiums and tax. As I have already stated, this applies to 30% of those insured, as corporate payments cover 70%. However, it would be safe to assume that nigh on 100% of those aged 65 or more are personally funding their health insurance. It is their choice and, for many, it might mean sacrificing other things that affect their lifestyle.

My Bill would allow basic rate tax relief for pensioners at 65 and above, with the age rising as and when the pensionable age increases. It would encourage people either to keep their health insurance or to take out health insurance just as they reach the period in their life when demand can be expected to increase. If they did not have or ceased their insurance, they would add to the call on the national health service. The Bill in no way degrades my or their respect for the NHS, but is intended to take some of the load, in numbers and cost, off our tax-paid national health service. As the UK population's life expectancy increases and as the wonders of medical research improve our pensioners' life expectancy and well-being, this would provide an incentive for more people to choose not only to pay their taxes to support the NHS, but to use health insurance to take an increasing load off our NHS to the benefit of others.

Question put and agreed to.

Ordered,

That Sir Paul Beresford, Gavin Barwell, Mr Christopher Chope, Mr Geoffrey Cox, Mr Oliver Heald and Mr Gary Streeter present the Bill.

Sir Paul Beresford accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 18 March, and to be printed (Bill 157).

Estimates Day

[2nd Allotted Day]

SUPPMENTARY ESTIMATES 2010-11

DEPARTMENT FOR EDUCATION

Sure Start Children's Centres

[Relevant documents: The Fifth Report from the Children, Schools and Families Committee, Session 2009-10, Sure Start Children's Centres, HC 130, and the Government response, Fourth Special Report from the Education Committee, Session 2010-11, HC 768.]

Motion made, and Question proposed,

That, for the year ending with 31 March 2011, for expenditure by the Department for Education—

(1) further resources, not exceeding £240,806,000, be authorised for use as set out in Spring Supplementary Estimates 2010-11, HC 790,

(2) a further sum, not exceeding £66,354,000, be granted to Her Majesty out of the Consolidated Fund to meet the costs as so set out, and

(3) limits as so set out be set on appropriations in aid.—*(Stephen Crabb.)*

Mr Speaker: The debate will be initiated, or led—opened: I will use a neutral term—by the Chair of the Select Committee on Education, Mr Graham Stuart.

1.10 pm

Mr Graham Stuart (Beverley and Holderness) (Con): Thank you, Mr Speaker. It is a pleasure to take part in a debate which will, I hope, rise above semantics. I do not know whether "initiation" is a partial word or not; I suppose it depends very much on what ceremonies one has undergone earlier in life.

This debate takes place in the context of a crisis of confidence in our education system and, more broadly—if I may pick a few headings at random—in our society's ability to raise children so that they achieve, enjoy life, are safe and healthy, make a contribution, and go on to prosper. The PISA—programme for international student assessment—tables to which the Government frequently refer indicate that, on a comparative basis, this country's performance has declined.

The first 10 years of the last Government, between 1997 and 2007, preceded the credit crunch. I should it put on record, in my party's interests, that the period of solid economic growth between those years had begun in 1992. During that period, the number of young people aged 16 to 24—pick your age range—who were not in employment, education or training remained about level, but once the credit crunch arrived it spiralled up, and now as many as 1 million young people may not be in apprenticeships, at college, at school or in a job. That is a pretty tragic situation.

I have always believed that those who seek a crude proxy to measure the effectiveness of an education system should consider not so much the outcomes of those who go to Oxbridge—important though that is—or those who go to universities in general as the number of young people who end up as NEETs. We engage in an annual argument about whether exams are becoming easier, and how we are placed in comparative terms. I used to point out to Labour Ministers in the Select Committee that existed under the last Government that the system of which education forms a part was intended to deliver Every Child Matters outcomes, and to ensure that young people were able to go on to prosper in life. They cannot do that—and, indeed, they are signally failing to do it—if they end up as NEETs.

As I have said, those who seek the best proxy to measure the effectiveness of society's systems for bringing up children—which, I suppose, include families—should consider the number of NEETs. That number is at a record high, and we need to tackle it. However, we are also concerned about social mobility, and the fact that our record on teenage pregnancy, fatherless households, drug use and other issues connected with social breakdown and social failure is not good in comparison with the records of other European countries.

The intellectual running under the new Conservative-Liberal Democrat coalition Government seems, ironically enough, to be being made largely by current and former Labour Members of Parliament. I am pleased to see that the right hon. Member for Birkenhead (Mr Field) is present. Whether we cite the Field report, the Allen report on early intervention or Alan Milburn's report on social mobility, it is clear that a huge amount of work is being done, which indicates a general consensus in the House that we should try to become more effective.

The Select Committee produced its report as the Labour Government moved towards their target for full service delivery, which was at least 3,500 centres. I believe that there are now more than 3,600. Having initially established children's centres in the most deprived parts of the country, the Government wanted to ensure that they existed in every part of the country. While it is fair to say that they wanted to provide a universal service, their rationale for taking Sure Start everywhere was the need to reach the poorest and most disadvantaged children in areas that were not themselves generally disadvantaged. They recognised that if they focused only on the most disadvantaged areas, many children elsewhere would be missed out.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Will the hon. Gentleman give way?

Mr Stuart: I will happily give way to my predecessor as Chair of the Select Committee.

Mr Sheerman: May I ask the hon. Gentleman to think again about what he has said? According to evidence given to the Select Committee, most children from deprived backgrounds lived outside the 500 most challenging wards in the country. That was the point: more young people with deprived backgrounds lived outside than inside the targeted areas.

Mr Stuart: The hon. Gentleman is, of course, right, and if I suggested otherwise I did not mean to. I meant to say that the main driver was not the need to provide a universal service, but the need to reach poor children wherever they were. In rural constituencies such as mine, which may in general contain high levels of wealth, there are still many people from poorer families. The aim was to provide a universal service that would reach those people, but the Committee concluded that the policy had not been as effective as we should have liked it to be.

[Mr Graham Stuart]

I hope that we shall learn from Ministers today about their vision of the future of children's centres. We know that the Government agree on the importance of early intervention, and we know that they see an important role for children's centres within that. We also know that they have rolled funding for children's centres into the early intervention grant. They say that they are providing enough funds to keep all the existing children's centres open, but they have not insisted that local authorities do so. Moreover, the larger fund in which they have included the funds for children's centres has itself been reduced this year from about £2.7 billion to £2.4 billion, and from 1 April it will be 10.9% lower than the 2010-11 notional figure.

Rehman Chishti (Gillingham and Rainham) (Con): Will my hon. Friend congratulate authorities such as Medway, which has 19 Sure Start centres—seven of which are in my constituency—and has agreed to keep all of them open? That clearly demonstrates that it is not inevitable that Sure Start centres will close. I should declare an interest: I am a sitting Medway councillor.

Mr Stuart: I am happy to congratulate my hon. Friend's council on adopting what it considers to be the most effective way of delivering the improvements that we so desperately want for young people. However, the number of NEETs has been rising, and research suggests that the outcomes from children's centres so far are not what we would wish them to be.

We have heard about the bundling of funds and the relaxation of ring-fencing. Ministers are still saying that every Sure Start or other children's centre should be able to stay open, but "should be able to stay open" and "will stay open" are two separate concepts. I should like to know from Ministers, and indeed from Opposition spokesmen, whether they are fixated on the importance of maintaining buildings from which services of varying quality emanate. Is that the be-all and end-all, or are we prepared to give local authorities the power to decide how best to provide early intervention, which may well be through a rationalisation of children's centres? I do not know whether the Front-Bench teams think that the buildings are the be-all and end-all and that any reduction from 3,600 will be a disaster for our young people, or that local authorities should be allowed to think for themselves and tailor local solutions to local needs. I would like a clearer steer from both Front-Bench teams so that we have a better idea of where we are going.

Mr Andy Slaughter (Hammersmith) (Lab): In the last Parliament, the hon. Gentleman and I served together on the Select Committee and I respect his opinion. He has touched on the key question. The Government are cutting the funding to my local authority by about 13% and they say that leaves enough money to keep the network open, but the local authority is cutting by 45%, which clearly will not leave enough, so the majority of centres will close. In such a situation should the Government intervene or should there be localism at its purest, and if the local authority wants to close down most of the centres should it be allowed to do so?

Mr Stuart: The hon. Gentleman is right to pose this question about the right response, and we need a clearer steer. While making claims about localism, will the Government in fact quietly put pressure on councils and say, "You must keep these centres open"? I recognise why the hon. Gentleman says the last Government put all these things in place and the new Government are threatening to dismantle them while denying doing so, as that is an understandable line to take in opposition, but rationalising these centres could be the right thing to do. It could be that, after sober analysis and assessment of the needs of its local community, a local authority decides that its children's centre buildings are not working well enough and it cannot get the teams to deliver in the right way but thinks it will be able to find a better way of providing these services. I would like to know how fixated we are going to be on children's centres per se, rather than on delivering the outcomes for young people.

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab) *rose—*

Mr Stuart: Perhaps the hon. Lady, who is her party's Front-Bench representative, will explain the Labour party's position on that.

Mrs Hodgson: I am grateful to the hon. Gentleman for giving way. I too served on the Select Committee with him in the last Parliament, and I think he is doing a sterling job as Chair of the new Select Committee. I am also pleased that we are having this debate today.

I can assure the hon. Gentleman that the Opposition are not fixated on the buildings. Our priority is that the provision should still exist. We still believe it should be a universal provision targeted on those most in need. It is not about the buildings; it is about ensuring that there is a service within them. When the Sure Start children's centres were first introduced the aim was that everybody would be within a pushchair push of one of them. If a local authority decides to have just one or two such centres, people are not going to be within a pushchair push of their nearest one, and they will therefore not be used by those who need them most.

Mr Stuart: I thank the hon. Lady for her intervention. She makes a fair point, but service delivery is the key and there is enormous variation in that between children's centres across the country. In the last Parliament, the National Audit Office investigated the cost-effectiveness of centres at our behest, and it concluded that

> "it remains very difficult to examine and compare centres' cost effectiveness."

It also said:

> "Where we have been able to calculate unit costs we found wide variations. Together with other evidence this suggests that there is still scope for improving cost effectiveness."

That suggests that there could be savings. The Government reasonably say that reductions in budget should not necessarily lead to closures. Children's centres could, perhaps, be improved and operate on a lower budget.

The NAO also said:

> "There is qualitative evidence of improvement; for example, some local authorities and centres are developing and implementing means of managing children's centres to make more effective use of skills and resources. And most centres and local authorities have made substantial improvements in their monitoring of performance since our 2006 report."

There is progress, therefore.

I ask the Minister to set out the Government's vision, and explain to what extent they wish the existing infrastructure to be maintained, or whether, in the spirit of localism and the tailoring of services to meet local needs, they want local authorities to make up their own minds, which might lead to great discrepancies. It could certainly lead to the loss of a national entitlement to children's centres, but that might be an improvement. A true localist looking at the analysis of the results so far may conclude that a more localised and differentiated approach would be better.

I went on a Select Committee trip to Finland two weeks ago. Learning lessons from Finland is hard, and I know my predecessor as Chair of the Select Committee, the hon. Member for Huddersfield (Mr Sheerman), hated any mention of Finland. I do not think he ever explained why, but I guess it was because of the difficulty of applying its experiences and contexts to our experiences and contexts. There was one thing I did learn from Finland, however. Someone in its central department of education said, "We've been trying to achieve a particular outcome, but although we've been working at it for 10 years, we haven't really made as much progress as we want, so we're going to work harder and carry on trying to make it happen." That is very different from the way things are done in our country, where, typically, 18 months into a new initiative new Ministers arrive and throw it overboard because they decide it does not work, and they stop doing the long, hard, grinding work that leads to the improvement of existing services.

I would hate the groundwork that has been done by children's centres across the country to be dismantled, not because they are universally successful but because it takes a long, hard slog to improve performance and management, to bring on more leaders, and to learn what certificates they should sit for so that we have higher quality staff who can identify the areas that are brilliant and share that practice, and identify the areas that are poor and need to be challenged. I would rather we did that than what this country seems to do, which is just throw everything up in the air again when a new set of Ministers come into office.

Nic Dakin (Scunthorpe) (Lab): The hon. Gentleman is making a powerful case. One of the Select Committee conclusions is:

> "Children's centres are a substantial investment with a sound rationale, and it is vital that this investment is allowed to bear fruit over the long term."

The hon. Gentleman is reminding us of the necessity to consider the long term. The long term is even longer than 10 years, as he rightly points out, so now is not the time to fiddle with this provision.

Mr Stuart: It is certainly a time to fiddle with it. There is ample room for improvement, but it would be a shame if these centres were inadvertently dismantled before what they could deliver had been properly thought through. I certainly agree with the hon. Gentleman about that.

I also want the Minister to say whether there are any incentives in place for local authorities to ensure that they focus on changing the life chances of young children, because all too often people will pay lip service and say, "Of course we're on board with this." I am reminded of another Select Committee trip, this time to the Netherlands in the last Parliament. The Dutch changed the way local authorities were financed in respect of young people's services. I think they froze the money from central Government so that if there was a spike in youth unemployment and so forth, local authorities would be at serious financial risk, but if they addressed such matters, they would be much better off. As a result, local authorities stopped just processing young people and putting the financial claim for that into the centre. Instead they became locally responsible for the financial consequences of young people remaining as NEETs. I believe—the previous Select Committee Chairman will put me right if I am wrong—that they more than halved the number of NEETs over the years.

If there are incentives for local authorities that are real and that bite and that mean they take this issue incredibly seriously and focus on it, that would give me more confidence than even the maintenance of the centres. If I felt that local authorities were driven by a desire to grasp this agenda and make a difference to their young people's lives and one of them told me it was closing some of its children's centres, I would find that more encouraging than watching, in this time of fiscal retrenchment, centres close apparently because they were especially local and apparently because things would then get better.

Ms Karen Buck (Westminster North) (Lab): The hon. Gentleman is making a very powerful case, as always. On local authorities and incentives, I wonder whether he shares my concern that some authorities may do what it looks as though my local authority is doing. Westminster city council is trying to keep the children's centres open so it can avoid the controversy attached to closing a building, but it is slashing outreach and drop-in services and other services that actually work and that are provided from within the bricks and mortar of those buildings. That is likely to have an even worse impact on children's outcomes.

Mr Speaker: Order. Just before the Chairman of the Select Committee responds to that intervention, I want to make the point that, although there is no time limit on Back-Bench speeches and the House is listening attentively and with respect to the Chairman of the Select Committee, I know that he will want to take account of the substantial interest in making contributions to the debate, and I am keen that everyone who wishes to speak should have the chance to do so. I know that the hon. Gentleman will tactfully take account of my gentle ministration.

Mr Stuart: I am grateful to you, Mr Speaker, for that gentle and quite proper intervention—and those who wish to speak will be even more grateful.

The hon. Member for Westminster North (Ms Buck) is right. We need to ensure that the resources are used for the best purposes, not political purposes—not in order to make it look as though something has been protected, or to avoid embarrassment, but to help to look after the most vulnerable children for the long term. That is what we must all hope for.

Mr Sheerman: Will the hon. Gentleman give way?

Mr Stuart: I am minded to follow your advice, Mr Speaker—

Mr Sheerman: Will the hon. Gentleman give way just on that point?

Mr Stuart: I will.

Mr Sheerman: I intervene only because the hon. Gentleman, who is a good friend of mine, mentioned Finland and has now moved on to Holland. It is true that, although I like the Finns, I do not think that many lessons can be learned from their experience. However, he did not give the full picture of the core of the Dutch answer to NEETS, which is very successful: in Holland people cannot draw benefit until they are 27 unless they are training and learning the Dutch language.

Mr Stuart: I believe that that measure was originally introduced by the mayor of Rotterdam, who picked the 27 threshold. It was about creating incentives at a local level in order to tackle the root of the problem. The hon. Gentleman, as befits a previous Select Committee Chairman, tries again to correct me by pointing out that I did not necessarily give the full story.

Will Ministers explain the rationale for the things included in the early intervention grant? I should like to understand how they hold together. Will they take us through the finances of the grant in some detail, and tell the House whether the Government have acted on the Select Committee report recommendation that they pull together all the funding that goes into Sure Start children's centres? How much will come through health visitors? Also, can Ministers tell us more about health visitors? One of the most important things that children's centres can do is be more effective in outreach. The National Audit Office and the Durham university study found that, in fact, children's centres were not as effective in that respect as they could be. The growth in health visitors could play a major part in creating a more effective outreach service that identifies such children earlier and gets them the services and support they need, so that they are school-ready.

Mindful, as ever, of your ministrations, Mr Speaker, I shall sit down.

1.32 pm

Mr Frank Field (Birkenhead) (Lab): I wish to make three short points in this debate, so that my colleagues can get in. I am sure that many of them will register their worries about the future of the Sure Start networks. I am fortunate, as our local authority clearly is not going to make any decisions until after the local elections, so I speak as one of those whose Sure Start network is currently intact.

Although it is very important that such concerns are registered, I should like to contribute to raising the spirit of the debate and our hopes for what foundation years can achieve. Indeed, some of my hon. Friends will make the point that that makes the closure of Sure Starts an even more important issue, not less important. We now have enough information to know that, if we want to make a major difference to the life chances of children, particularly poorer children, we need to do it very early on and not think that that will happen automatically in primary, secondary, further or higher education. These are the most crucial years if we are to make a difference.

Two pieces of information that I gathered together when writing the report on foundation years staggered me and knocked me sideways. One was the longitudinal study that looked at outcomes for young children, thanks to which we now know where such children end up in their late twenties. It showed that, probably at the age of three but certainly by five, the die of life is set for most children. Of course, after that age, the most brilliant parents, schools and teachers can make some difference for individuals, but it is very difficult to make a class difference for whole groups of our constituents. So if we are to be serious about whatever we spend, we need, over time, to redistribute resources from further education and from secondary and primary schools into the foundation years, not in a gigantic or absurd way, but in a way that recognises that building up this budget requires knowledge and expertise. We should note the Select Committee Chairman's plea that we learn from what we are currently doing and add to our success, rather than knocking that sideways and jumping into the latest obscure way to extend life chances.

The second piece of information concerns an area in Birkenhead that has had Sure Start for 10 years. I asked the head of a really good school what 10 things he wanted from children attending school on their first day. What skills did he need? He shared this exercise with his teachers and with other schools, and not only in the Birkenhead area. There were some stunning replies. The schools would like the children to know their own names; to know the word "stop", because that can hint at danger for them. They would like them to learn to sit still, so they can begin playing properly and by that learn; to learn how to take off certain items of clothing; to learn how to hold a crayon; to know what a book is and how to open it the right way.

This is not a school in Birkenhead that is one the most "challenged", as we must euphemistically call it. It is a school where, 20 years ago, I first learned that mums would lie about their addresses to get their children into a better school than they would otherwise be allocated. While lying is of course wrong, I could not but have a sneaking admiration for those mothers who were acting in this way, and who knew in a ration-book economy what little chance they had to choose the best services for their children. So although this is not the most challenged school, even after Sure Start—in fact, it was one of the first Sure Starts in the country and has been operating for 10 years—we were still finding children who were highly unprepared for school.

In the light of those two pieces of information from the report, we know that the die is cast for all too many children by the age of five, and that something quite troubling is going on in many areas in our constituencies, where children are nurtured in an arbitrary and random way. I see young people in Birkenhead who are so un-nurtured by their parents that I wonder whether I would survive if I were subjected to the things they are exposed to.

That information underscores the importance of this debate, and in that context I want to make a plea for Sure Start, but not because I disagree with the view that it should be radically reformed, which is an issue I will deal with in a moment. Sure Start already has some extraordinary advantages. It is a brand name. None of the parents whom I spoke to in the various areas I visited throughout the country in undertaking this inquiry told me that this is a service for poor people that stigmatises them. If anything, some of the more bushy-tailed parents who might well not have used the centres were actually there, knowing what a good service Sure Start was providing for children and wanting it for their own. It would be appalling if that brand name were destroyed or damaged in any way.

Bill Esterson (Sefton Central) (Lab): My right hon. Friend is making an incredibly important point about the lack of stigma attached to Sure Start, and about access for families from many different backgrounds. At the Thornton children's centre in Crosby, families from a deprived estate and from a less deprived estate all come together. In fact, more than 700 families use that centre, and one of its many huge benefits has been families getting together, mixing, meeting new friends and building relationships that would be severely damaged if the centre closed.

Mr Field: I agree with that. As my hon. Friend says, this is partly about the brand image and about people thinking that going to Sure Start centres is almost a right of citizenship that we do not want to destroy. I am sorry that my hon. Friend the Member for Westminster North (Ms Buck) has momentarily left the Chamber because I would have argued with her about the balance between limiting what Sure Start centres do so that we can keep the structure going and cutting the number of centres so that we can maintain the whole range of services that they provide. My judgment is that the balance ought to favour keeping the structure. However, as the Minister knows from the report, I am very anxious about how we reform Sure Start, and I now wish to discuss that.

In reforming Sure Start, it is crucial to keep its universal provision; it does not have to be the most expensive or the most upmarket, but the report on the foundation years suggests that it is important that all parents use Sure Start centres at some stage. We suggested that such a centre would be the place where someone picks up their child benefit form—they would not be able to get it from anywhere else—and where they can register the birth of their child. It might be the place where people who are not of any faith take their child for an initiation ceremony to welcome them into the wider community. It is possible to maintain universal services without adding greatly to the costs, and a universal service has a chance of reaching the parents who need most support to make them even more successful as parents.

The Sure Start centres should be taken back to what my right hon. Friends the Member for Sheffield, Brightside and Hillsborough (Mr Blunkett) and for Dulwich and West Norwood (Tessa Jowell) originally envisaged, which was that there would, of course, be a universal approach, but the vast majority of the expenditure, time, effort and love of Sure Start should go to those families who need most help, not to the parents with sharp elbows that get them to the front of every queue. The Minister and I spoke at a conference for children earlier today, and I was pleased to hear her say that the Government will examine payment by results seriously, as that would help to achieve that objective.

One of the results we want is children to be ready for school. We do not want primary schools trying to make up for what has not taken place in the first four to five years of life and secondary schools trying to make up for what primary schools have not been able to achieve because they themselves have been doing a rescue operation. I hope that the Government will carefully consider the objectives for Sure Start children's centres or whatever we call them. I also hope that the Government will build up payment by results around those outcomes.

The last point I wish to make is that I hope that the Government will encourage people to think outside the box about who should run Sure Start centres. A couple of weeks ago, I asked the heads of primary and secondary schools in Birkenhead and the chairs of governors to meet so that we could discuss whether we should bid to run our Sure Start centres. Although we hope that the Government's payment-by-results approach will bear fruit, we need to think much more imaginatively about incorporating the Sure Start children's centres into what will be a much more seamless operation to ensure that we break down inequalities for the poorest children. Although it is right to emphasise the worries of those on both sides of the House about the future of Sure Start centres, both in terms of buildings and the services that they provide, I hope that we will get a clear steer from the Government about the reforms that they will be announcing by the end of this month. I hope that those will cover the points about keeping this service universal and about doing so while targeting that service, and that one way of doing so is to experiment with payment by results.

Finally, I wish to commend to the Government that outside providers wanting to take a collective but non-state view about these services should be encouraged to bid for them, so that every child in the country is ready to start their first day at primary school and is ready for that great experience.

1.45 pm

Andrea Leadsom (South Northamptonshire) (Con): It is a huge pleasure to follow the right hon. Member for Birkenhead (Mr Field). I feel at least as passionately as he does about the need for early intervention and about the need to support the youngest in our society, and I wish to use this speech to press for far more evaluation of what works. I absolutely agree with the right hon. Gentleman, who I am pleased to call a friend, on the need for children's centres to be far more at the heart of children's services generally. I absolutely agree with his suggestion that people should go to such a centre to register for child benefit and for initiation ceremonies to welcome their child into the world. Such things are all crucial to ensuring that Sure Start children's centres are at the heart of everything to do with infants and their families—that is incredibly important. I welcome the Government's intention to introduce far more health visitors, because that will strengthen the ability of children's centres to meet local needs.

I also congratulate my hon. Friend the Member for Beverley and Holderness (Mr Stuart) on his words and on his recommendation that the Government think carefully about whether we want this to be a purely localist agenda or whether there needs to be some universal, centrally driven remedy on children's centres. I believe that localism is key, because local communities know best how to deal with the issues in their area, and I wish to talk a little about my experience of Sure Start.

Mr Frank Field: The hon. Lady talks about the importance of localism, but one of the report's recommendations is that central Government ought to

[Mr Frank Field]

say that Sure Start ought to buy in more services from outside organisations. There is a balance to be struck between allowing local bodies to do anything, which might just be to keep things as they are, and an approach that engages some of the best organisations, which so far have not got much of a look in from Sure Start funding.

Andrea Leadsom: The right hon. Gentleman is absolutely right. As I said at the outset, I wish to make a plea for better evaluation of what works. My hope, although not my direction, is that more Sure Start children's centres would therefore follow best practice.

From 2001 to 2009, I was chairman of the Oxford Parent Infant Project—OXPIP—which is a children's charity operating around Oxfordshire. In the past year, it has become co-located with the Rose Hill Sure Start children's centre. When I first became its chairman, OXPIP helped families who were struggling to bond with their newborn babies and provided psychotherapeutic support for families who were simply desperate. I am talking about people who are perhaps suicidal or about to harm their baby, who are desperately depressed and who simply cannot cope. OXPIP helps those parents to get over that, to build a secure attachment with their babies and to move on confident of being loving parents as part of a loving family. OXPIP's results have been truly astonishing and there is a desperate need to evaluate quantitatively the work of such organisations, so that such best practice can become widespread in children's centres.

In 2001, the Rose Hill Sure Start children's centre was just starting out, as was OXPIP, and in those days it was all about creating a large building and it had a large budget. It was focused on outreach and putting lots of resources into play. My hon. Friend the Member for Beverley and Holderness made the good point that it has taken a lot of time to get children's centres to the point where they are really effective, they know what works and they know where the best value for money lies, so it would be a great shame now to try to form any sort of revolution in children's centres and end up throwing away all the good stuff that has come out of that long term of experience.

In those early days, OXPIP was a charity with very little funding, no statutory money whatever and only the money it could raise through its own efforts. We were successful in getting a significant and ballooning lottery grant, so we had three years of ever-rising income from which we could build on our platform. The sad fact was that the Sure Start children's centre would not even cover the cost of providing a service. It wanted to engage OXPIP's services, but only at a flat rate that did not reflect the true cost of providing it. We therefore had a ridiculous scenario in which a charity that was living hand to mouth and was totally dependent, in the early days, on the good will of volunteers was subsidising a Sure Start children's centre that had a huge budget and that did not seem to understand that OXPIP's work really defined what Sure Start was all about—providing children with a sure start in life.

From that day to this, 10 years on, we have gone from strength to strength. As I have said, in the last year OXPIP has co-located with the Sure Start children's centre, and that has been a complete success story. They have many different approaches regarding the different backgrounds of the many diverse nationalities and cultures found in Oxford. They provide support to fathers, mothers, grandparents, foster parents and adoptive parents, and many different services. Now that OXPIP, of which I remain a trustee, is co-located with Sure Start, we can focus on providing psychotherapeutic support for families who are really in difficulty. That has worked very well. I wanted to share that experience with hon. Members because I feel that Sure Start children's centres have come a very long way and it is terribly important that the Government seek to improve on that and to provide more evidence about what works best, rather than interfering with and possibly damaging it.

Stephen Lloyd (Eastbourne) (LD): I concur with much of what my hon. Friend and other hon. Members on both sides have said about Sure Start being a tremendous success. It is now bedding down and although I have some anxieties about local authority flexibility, I think it is broadly going in the right direction. One thing I am particularly pleased about is the increased entitlement to 15 hours a week for all three and four-year-olds. My view—I think that everyone who has spoken so far has said this—is that the more children from disadvantaged areas we catch early the better and that the entitlement for all three and four-year-olds will make a real difference. Does my hon. Friend agree?

Andrea Leadsom: I thank my hon. Friend for that timely remark. I was going to resist the temptation to talk about early infant brain development, but I shall just spend 30 seconds on it now. I absolutely agree with him, but I feel that the money should be focused on nought to two-year-olds for the simple reason that a baby's brain development is at its peak rate at between six and 18 months. That is when the frontal cortex grows as a result of a secure attachment to a loving carer. That loving attachment enables that part of the brain to put on a healthy growth spurt, giving the child the capacity for lifelong mental health even before they are a toddler. In the absence of such an attachment, intervention when the child is three or four is too late, so I absolutely agree that the extra money for the early years is important, but I think it is coming in too late and I would rather it was focused on the nought to two-year-olds to support families at a time when the outcomes for their baby matters so desperately. Once a baby reaches two years old, that opportunity is significantly reduced, so anything we do after that is already too late.

Bill Esterson: The hon. Lady makes a very good point about the brain development of young children, which is made very strongly in the report of my hon. Friend the Member for Nottingham North (Mr Allen), as I am sure she is aware. Given the point that she and others are making about the importance of Sure Start and early intervention generally, will she comment on the impact of removing ring-fencing? In Sefton, there is a 12.9% cut, as there is in the constituency of my hon. Friend the Member for Hammersmith (Mr Slaughter) in the borough of Hammersmith. The impact of that, along with all the other huge cuts, particularly in inner cities, has made it very difficult for councils to protect these services. Will she comment on the link between that and the need to protect services centrally if we are seriously to have a national strategy on protecting Sure Start and on early intervention?

Andrea Leadsom: Yes, I thank the hon. Gentleman for his comments. I am a firm believer in localism. My experience of Sure Start centres is that they evolve in a way that suits their community, and it is for county councils to support that need as necessary in their community. I am not a big fan of centralism or, indeed, of ring-fencing for that very reason, so I share his concern about the decisions that councils may be taking to cut those services, which I very much regret. Having said that, there is enormous room for improvement in Sure Start children's centres, which could become more effective. Those centres need to focus strongly on that because otherwise the incentive for councils to continue to fund them at current levels simply will not be there.

That brings me to my final point, which is about the call for better evaluation. OXPIP, the charity that I have been closely associated with for many years, has always had rave reviews from social services, health visitors, GPs and families in Oxfordshire, where it operates, but we have not been able to have a random control trial, which is the gold standard in quantitative evaluation because of the ethics of intervening with one group but not another. What about the outcomes for the group of families whom we know are in difficulty but do not help? The ethics around this issue mean that quantitative evaluation is a problem. If the Government are to do anything to help Sure Start children's centres to make the right decisions and to make progress in the most effective areas, they need to put resources into serious studies about how effective different early intervention programmes are. I strongly support the work of the hon. Member for Nottingham North (Mr Allen) in looking into those issues and in trying to evaluate which programmes are more helpful than others.

Ben Gummer (Ipswich) (Con): I completely agree with my hon. Friend. I have been spending a lot of time in primary schools in my constituency in the past 10 months and reception teachers have told me time and again that they can almost tell which Sure Start centres are doing good work and which are not really adding much value. However, that is the extent of their knowledge because the evidence is anecdotal. We really need some proper evidence so that Sure Start centres can be evaluated and best practice can be spread.

Andrea Leadsom: That is exactly right. County councils and directors of children's services are very aware of the potential value of Sure Start children's centres. My director of children's services in Northamptonshire would love to get even more value out of them and would welcome better research showing what would work better, rather than having to go it alone in those areas.

Let me conclude with a small plug. I plan to launch a pilot scheme in 2011 for a Northamptonshire parent infant project that will mirror what OXPIP has been doing so successfully for 13 years in Oxfordshire. Working closely with children's centres in Northamptonshire, I hope to show, prove, demonstrate, document and evaluate the value of really early intervention services in making a real difference to the quality of families' lives.

1.58 pm

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): It is a pleasure to follow the excellent speech of the hon. Member for South Northamptonshire (Andrea Leadsom). I was strongly tempted to intervene at the critical point near the end of her speech when she put her finger on the real problem of localism—when she talked about the pilot that did not go ahead because of the ethics of intervening with one group but not another. The issue we are debating directly concerns children's centres and the information that flowed from an inquiry of the Select Committee on Children, Schools and Families when I chaired it. That inquiry went back to March 2010 and I think that you might even have given evidence to it, Madam Deputy Speaker, wearing a different hat. Central to today's discussion is whether we should have a service that guarantees certain things for every poor child in the country or whether we should leave it up to the randomness that comes when different councils with different majorities or no majority, which may lack funding and which may be urban, suburban or rural, are left to take those decisions. I come from an old-fashioned school of thought, which I hope will come back into fashion, that believes in giving guarantees to every child in the country.

Let me take the House back briefly to when I became the Chair of the Select Committee, 10 years ago. The very first inquiry was into early years. We were the first Select Committee ever to hire a psychologist, because we wanted to understand the development of a child's brain. Everything that has been said in the debate touches exactly on that.

We were lucky enough to engage three special advisers to the Committee, led by Kathy Sylva, the wonderful former head of children's services in Oxfordshire. Kathy Sylva did that original research showing that by 22 months a child's brain has developed to such an extent that it is extremely difficult to compensate later for lack of stimulation during those 22 months. Members in all parts of the House—no party political points here—understand that early years intervention is critical. We must also agree that there have been some difficulties since we produced our report last March. Such a time lapse is a great advantage, because we are able to see what has happened.

Many of the 3,500 Sure Start children's centres are new and had only just been completed when we finished our report, just before the general election. Some were older, but all centres need time to put down roots. When we are experimenting with social policy, especially in such an important area, we must bear it in mind that children's centres need time to respond to the local community and to change their shape and nature as demands on them are made and they become better known by good professionals working in the community. There is no doubt that the maturation process is important. As all of us in the educational world know, with the best intentions, it is difficult when national policies are rolled out.

Pilots may show that something works excellently on a small scale. I have been reflecting on that. One of the few times that I failed to get a witness to come before the Select Committee was when we asked Jamie Oliver. By the time we got through his press and publicity machine, his managers and his agents, we gave up trying to get him, even to speak about school meals. We did a school meals investigation before Jamie Oliver had made his programme. Tonight there will be a Jamie Oliver programme on television about his ideal school.

[Mr Barry Sheerman]

I learned a lesson last summer. I took my daughter, who at that time was heavily pregnant with twin boys, and my wife to a Jamie Oliver restaurant in Kingston, and it was one of the most disappointing meals that I have ever had. I had eaten in his restaurant Fifteen and I would recommend it to anyone. It is a flagship restaurant and was a wonderful experience, but when the Jamie Oliver offer is rolled out around the country, we see the difficulties that I found in Kingston upon Thames in the summer, as we have in education when we roll out children's centres. The pilot looks wonderful and we think we can roll it out in 100 or even 500 centres. The reason our Government moved from 500 Sure Start centres to 3,500 was that most of the poor families in our country live outside the 500 poorest wards.

Andrea Leadsom: Surely that is an argument for localism in the case of children's centres.

Mr Sheerman: Sorry, I disagree. It is a call for greater management. When an idea is rolled out and franchised, it is essential to ensure that there is a set of standards, that people know that they are expected to reach those standards, and that those standards are delivered. May I point the hon. Lady to the remarkable work of Lord Baker when he was Secretary of State? He picked up the challenge of Jim Callaghan's Oxford speech to Ruskin, in which Callaghan said that we needed an inspectorate to check on quality, testing and assessment to find out how children were progressing, and a national curriculum. Jim Callaghan never did anything about it, because he did not have a majority or any money. Ten years later Ken Baker did it. He knew that we had to be able to deliver nationally to a national standard.

Tracey Crouch (Chatham and Aylesford) (Con): The hon. Gentleman is making a case for a franchised system like McDonald's or any other burger chain, not for Sure Start centres. I have some excellent Sure Start centres in my constituency in the most deprived areas, precisely where they should be, but the programmes offered there would not work in other parts of my constituency.

Mr Sheerman: I take the hon. Lady's point. We can disagree on that.

Let me get down to what worries me. Our report—which, if my memory serves me right, the present Chairman of the Education Committee voted against—suggested that children's centres should be maintained. We made some helpful comments. I want to spend a little time on the Government's response. Paragraph after paragraph, they keep saying how wonderful our report is, but when I look at their response in detail, I am worried about some of their reasons for agreeing with it.

We can all agree that evidence-based policy is good policy, and this policy of ours was the purest example of that. In all my 10 years as Chair of the Select Committee, with some wonderful colleagues—many of us turn up at debates such as this—the best policies that we saw were those based on evidence, and of all the policies in those 10 years, the clearest evidence was on early years intervention and redirecting expenditure to the early years. People carelessly think that we spend a lot of money on early years, but that is not the case. How much we spend increases as a child gets older. All the evidence shows that we have got it the wrong way round. My hon. Friend the Member for Slough (Fiona Mactaggart) often made that case, and made it to you, Madam Deputy Speaker. The money should be piled in during the early years, for the reasons that the House has heard this afternoon.

What worries me about the Government's response to our report is whether the commitment is still there. It is all very well having the commitment, but without the money and the resources, children's centres will start to go. My right hon. Friend the Member for Birkenhead (Mr Field) said that his council had not yet made up its mind. I have it on good authority that my local authority, Kirklees, in which Huddersfield sits as the jewel in the crown, is reducing the number of children's centres from 35 to 17.

Bill Esterson: Sefton council proposed reducing the number of children's centres from 19 to seven, but I am pleased to say that, in the face of huge opposition from the hundreds of families who use the centres, it is reconsidering. My hon. Friend makes his point about the link between policy and the money made available. We could comment on manifesto pledges. I am sure he would agree that it is only by Government guaranteeing that the money is available and that it will be spent on children's centres that there is any hope of achieving the aims set out in the Select Committee report.

Mr Sheerman: Indeed. I hope my own local authority will change its mind under pressure from those who use the excellent children's centres in my patch. I am sure that throughout the country there will be a large number of closures of children's centres. That will be a disgrace, because I know what good work children's centres are doing.

May I take up a remark made by my right hon. Friend the Member for Birkenhead? He visits schools and sees how important the first two years are. I used to boast that I visited more schools than any other MP, and I am trying to keep up that track record. When I visit urban schools I see the difficulties that he has identified, measured against the 10 things that children should be able to do. I visit schools with fantastic heads and children's centres with fantastic leaders who improve children's behaviour and performance enormously, but 40% of the children will not be in those primary schools in a year because of the churn in our schools. We do not discuss that enough.

How can children be stimulated when in many of our major towns and cities they live in totally mobile populations? It is not the old-style poverty of the coalfields and shipyards, but the poverty of churn and change. In so many of our constituencies, heads and Sure Start leaders do not know which children will come through their doors in just a few weeks, which is a real problem. However, they do know that children will often have no one at home who speaks English to support them in learning our language. When those children go home, the television will not be in English. Sometimes, because of political correctness, we turn away from the reality of what is happening in our schools.

I fear that, as the world changes and the middle east turns itself upside down, for example, even higher rates of migration will result in even higher rates of change in our schools. I am not against migration and hold no extreme views on the matter, as everyone who knows me would acknowledge, but I know that our children's centres and primary schools in urban areas are at the front line of that change. We cannot carry on asking teachers, heads and Sure Start leaders to cope with the increasing churn and turmoil resulting from the number of new children, so few of whom have a command of English, or indeed of many of the standard requirements that we expect in schools and children's centres. We all pick up on that point but sometimes ignore it. We ask professionals to do a job, but not all children live in the leafy suburbs or the countryside.

Stephen Lloyd: That is an important and well-made point, but does the hon. Gentleman not agree that the additional investment for increasing the number of health visitors to 4,200 is surely a good thing for a number of reasons, not least the important issue that he has addressed?

Mr Sheerman: I am pleased that the hon. Gentleman made that intervention, because I was moving on to the funding of health visitors. I am not entirely sure or comfortable about when that money will come in, because I had heard that it is not yet and that it might be in 2012; there is nothing in black and white. I would be pleased if a member of the ministerial team would let us know during the debate whether the funding is coming and whether it is from the health budget, as one Minister has told me. If that is true, it will be a real plus for the overall budget and to be welcomed.

Where the health visitors are based is also important, and I hope that they will be concentrated in children's centres. Some of us will remember hearing the head of the Royal College of General Practitioners say in evidence to the Select Committee that half its members did not know what a children's centre was and that the other half thought that it was just competition for health visitors. Integration and working together are important.

It is also important to consider the revolutionary step at the heart of children's centres, which has been missed out of the debate so far. The revolutionary step is that they view a child holistically. A child is not a child with a bit of educational difficulty here and a bit of early stimulation there, or with a little health problem here and language difficulties there. The beauty of children's centres is that a child gets all that support and evaluation in one place. Parents do not have to push a pram all over town to go to one clinic for a certain service and somewhere else for another, as my hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson) said. The fact is that providing a holistic service for a child delivers the best chance of giving that child the environment in which they can thrive.

While the Committee was conducting that inquiry, we were looking at young people who were not in education, employment or training. When we went to Holland, we found the Dutch experience particularly interesting, because they also looked at young people holistically. They have centres where young people can have a health evaluation and an aptitude evaluation, where employers and colleges are represented and there are seminar rooms for people who had been NEETs before gaining employment. Those centres provide an all-purpose focus for young people. When we are talking about people's lives, it is that holistic approach that seems to work, and I recommend that what we do in children's centres should be transferred to that older age group, as stated in our report on NEETs. Local authorities have moved in that direction, and some examples in the UK have been extremely successful.

Bill Esterson: Will my hon. Friend give way?

Mr Sheerman: Not for the moment.

Many of the responses to the Committee's report have made much play of the big society. I must confess that I actually like the idea of a big society, but I am slightly resentful of it, because I think that the Conservatives stole it from Labour—*[Interruption.]* I say that in a good-natured way to ensure that Conservative Members are still awake. In fact, we all believe in the big society. I believed in it even when Mrs Thatcher said that there was no such thing as society, so I have a long-term commitment to it. Throughout my whole political life I have involved myself in starting social enterprises as part of that big society, because I think that that is how our society should develop.

My worry about the big society is that it is often linked to the idea that everything should be done by volunteers. I am a little suspicious when people argue that things can be done by volunteers, because the best analysis and professional research suggests some problems with that. I refer the Minister to an interesting article—she might already know it—published in 2006 by Professor Alison Wolf, who is about to publish a report produced for the Government on 14 to 19-year-olds. As the Minister will know, Professor Wolf's daughter, Rachel Wolf, is in charge of the free schools movement and her son, Martin Wolf, is a senior influence at the *Financial Times*. I listen carefully to Alison Wolf, and her 2006 article stated that the real problem with volunteering in this country is that it has been dying—first, because of the decline of organised religion, and secondly, because women now work in demanding jobs. Both men and women work in our country.

Professor Wolf also noted that the research suggesting that there is a lot of volunteering left in our communities is poor because it is based on opinion polls, and people tell fibs about how much they put back into the community when they are asked in such polls. If members of a pilot group are asked to keep a diary, the results show that the average time a person gives to volunteering is four minutes a day. If we are to base children's centres and the big society on all of us volunteering for four minutes a day, we will still need a hell of a lot of good professionals to provide quality health and children's care.

I shall also briefly touch on something that was central to the Government's critique of our inquiry—the idea that we would no longer need so many hours. One absolutely fantastic thing about children's centres in the most deprived areas was that they had to stay open 10 hours a day, 48 weeks a year. The document before me clearly states that that is now finished as an obligation and does not need to delivered. We all know that that is true, because it is in the response to the Select Committee's report, and, in the hard-pressed and most deprived communities throughout our land, it represents the withdrawal of a guarantee that really meant something and will be sorely missed.

I do not know what my right hon. Friend the Member for Birkenhead, who wrote his own report, would say about that withdrawal. I do not remember hearing

[Mr Sheerman]

whether he was conscious of it when he wrote his report, and I do not know whether he thinks that the fairness premium will counter-balance it, but nobody knows how the premium will work, when people will receive it or who will benefit from it.

At the heart of my concerns about the response to the Select Committee's report is the fact that localism has become an excuse for saying, "We don't have the confidence or the courage to say that we believe that there must be a reduction in the number of children's centres or the services they provide, so we are going to pass it on to local authorities." The Government must know, however, that local authorities, in straitened times with much smaller budgets, are going to cut back on children's centres.

This Government—any Government—have a responsibility for knowing that some policies are so fundamental to the welfare of our people that we and they cannot afford to give up the guarantee and say, "Oh, I'm terribly sorry. We believe in children's centres, in a full service and in the early stimulation of children, but unfortunately those naughty people up there in Oxford, down there in Surrey or up there in the north-east happen to be short of money and it is all their responsibility." No one can shuffle away from such responsibility. If children's centres are cut back or cease to exist as fully integrated models, the buck stops with the Government. I hope that all parties in the House recognise that.

There is a very real problem with the final piece of evidence in the Government's response to the Select Committee report. I was very fond of evidence-based policy, as you know Madam Deputy Speaker. On page 3 of the Government's response, they say:

> "The Government agrees with the recommendation—high quality provision leads to better outcomes for children and families. Research evidence shows that it is the quality of support which makes the difference for children's outcomes, particularly for disadvantaged children. That is why, where children's centres are providing early education and care, it should be led by either an Early Years Professional or a Qualified Teacher to ensure quality and provide expert input to the activities and services on offer."

Do we all agree with that? I am looking at the ministerial team. Do we agree? Can I have a nod? *[Interruption.]* I am not going to get a nod, because they know that page 6 says:

> "It is crucial that children's centres in disadvantaged areas continue to offer high-quality early education and care to support vulnerable and disadvantaged families. However, since we have removed the requirement for children's centres in disadvantaged areas to provide full day care, we do not want to be as prescriptive as the previous Government in expecting them to employ both a Qualified Teacher and an Early Years Professional. Therefore, we have removed this requirement."

The Minister responsible for schools became very fond of one little bit of evidence in Clackmannanshire, when he was converted to synthetic phonics, but all the evidence, not just one piece in a relatively obscure part of the United Kingdom—

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): Scotland!

Mr Sheerman: No, Clackmannanshire.

One inquiry swept the Minister away to the world of synthetic phonics, and he has been there ever since, but in fact much research shows that a qualified teacher or an early years professional in an early years setting makes a substantial difference to outcomes, and this Government are taking that away.

The Minister of State, Department for Education (Sarah Teather): We are not taking that requirement away; we are taking away the requirement for both professionals.

Mr Sheerman: That is good information, but if I take the two responses together I find that the requirement is substantially weakened.

Sarah Teather *rose—*

The Parliamentary Under-Secretary of State for Education (Tim Loughton): He hasn't read it.

Sarah Teather: Yes, I fear that the hon. Gentleman probably has not read all the document.

Part of the problem is that in some areas—*[Interruption.]* If the hon. Gentleman lets me finish, then he can shout at me. In some areas, we find that there is no need for full day care, and if there is no need, we end up subsidising full day-care places, which is not sensible. We should put that money into the evidence-based programmes that make the difference, to which the hon. Member for South Northamptonshire (Andrea Leadsom) referred. That is where the money must go, and that is why we have taken away the requirement for full day care. There is no requirement for both professionals, but there will need to be one.

Mr Sheerman: I am sorry, but it is unkind of Ministers to suggest that I have not read the document. From a close reading of it, I have explained how those two paragraphs do not make sense. Taking away the commitments to 10 hours a day and to 48 weeks a year substantially weakens the overall offer.

Now that I have managed to get the Minister to the Dispatch Box, I wonder whether she will also tell us a little about the future mutualisation of children's centres. The Select Committee said that it was in favour of variety and more community-responsive children's centres. We certainly were not against diversity in the shape and nature of children's centres throughout the country, but throwing into the response to our report something about the possibility of mutualisation, without really developing it, left us all rather puzzled. Can she enlighten us on mutualisation?

Sarah Teather: I shall pick up on those wider points when the hon. Gentleman sits down and I make my speech. I just wanted to make that clarification, but I am conscious that other Members want to speak and I am just prolonging his speech.

Mr Sheerman *rose—*

Madam Deputy Speaker (Dawn Primarolo): Order. That is a good point. We do not want a discussion just between the Minister and the hon. Gentleman, even though it might be of interest to other Members. Other Members are waiting to speak.

Mr Sheerman: I would never be so churlish as to suggest that the hon. Lady has not read the document.

Ten years ago, when I became Chairman of the Select Committee, we produced a report on early years. I used to go to early years settings where people were employed for £1 an hour. There was a very poor core of professionals and many volunteers, and 10 years ago there was a lot of fuss because a Labour Government introduced the national minimum wage. People told us at our inquiry that that was the end of early years, because no one would be able to afford to pay the minimum wage. Over those 10 years, everything we saw taught us that the policies that increased the professionalism of the early years resource and staff were a fantastic investment—the sort of investment that our communities and our Government should make and be proud to make. Our original report made that point very clearly, and I still believe in what we said: the children's centre network is highly valuable, and we destroy it or undermine it at our peril.

2.29 pm

Neil Carmichael (Stroud) (Con): Thank you, Madam Deputy Speaker, for allowing me to follow that very lengthy and detailed speech by the hon. Member for Huddersfield (Mr Sheerman).

This debate needs to cover several points, some of which were referred to by my hon. Friend the Member for Beverley and Holderness (Mr Stuart), the Chairman of the Education Committee. For example, unfortunately we have a huge number of NEETs in our country. That is a measure of the failure to deal with children in early years education in a proper and satisfactory way. Until we got into government, there was a failure to deal with the widening inequality gap—a damning indictment—and we have to tackle that.

I want to say a few words about resources. This debate is, to some extent, influenced by the fact that we are in a period of reductions in public expenditure, so it is worth noting that we spend almost 40 times as much paying interest on this country's debt as we do on the subject that we are talking about. That puts our funding difficulties into perspective.

Of course, we have Sure Start facilities in my constituency—for example, Treetops in Dursley, which is first class. It is very important to ensure that Sure Start really does what the label says. The right hon. Member for Birkenhead (Mr Field) is right that it is a very good brand, and it does say something that is really encouraging—a sure start. However, we must be completely certain that that is exactly what happens. My hon. Friend the Member for South Northamptonshire (Andrea Leadsom) was right to talk about the importance of evaluation and ensuring that Sure Start works in every different area.

Bill Esterson: I want to give an example from personal experience. My own family were lucky enough to have access to a children's centre some years ago when my son was three years old, and we certainly benefited as a family, but this is more about the other families who were from more disadvantaged backgrounds than ours. They clearly stated that in terms of opportunities and development, the differences between the younger children who had access to children's centres and their older siblings were very noticeable within the same families, let alone on the same estates between different families. That evidence was very strong, and I could see it at first hand.

Neil Carmichael: I thank the hon. Gentleman for that intervention. I would say that that is the experience of Sure Start in one situation, but we need to be sure that all Sure Starts deliver high standards for all the children who attend.

I want to make two general points about Sure Start. First, there is the issue of localism, which has cropped up several times. The real need is to ensure that we shape our services for the needs that we find on the ground where we see the problems. It is therefore right that local authorities have more influence in allocating and shaping provision. This is the converse of the previous Government's approach, which was always top down, telling everybody what it was important to do and ensuring they did it, but not taking into account people's needs, especially local circumstances. That obsession with top-down control often means that people end up worrying too much about the structure and too little about those within it and the children needing to benefit from it.

Secondly, we are no longer ring-fencing funding. That is right, because it is important to have local accountability for the provision of services and to enable local authorities to make the decisions that they want to make. The way in which the Government are now funding Sure Start is the better way to ensure that these facilities can be more flexible and adaptable. I make the case for localism on those terms.

Mr Graham Stuart: I would like to pull together the point that my hon. Friend has just made and the point about evaluation. Does he agree that if we are to have a more localist approach, national Government need to ensure that evaluation takes place so that we have the data to see whether local authorities are making a difference to the school-readiness of children when they turn up? If we spend all this money and it does not make any difference, as the Durham studies have shown in too many cases involving poorer children, then we are spending money to no positive result.

Neil Carmichael: My hon. Friend is right. We need to be sure that we deliver the outcomes that we want. If we are obsessed with process, structures and all the rest, and not with outcomes and delivery, we are letting down the very children we aspire to help.

The Education Committee went on a trip to Finland, where there were some interesting points to note, one of which was schools' involvement in more than just teaching the children. Schools always had social care provision and, in effect, district nurse provision, and there was proper, regular consultation between those providers and the teachers if there was a problem. That is well worth thinking about. It is important to consider other ways of doing things than simply the prescribed way from central Government. As I have often said, it is sensible to look at other systems, not necessarily to copy them completely, because that cannot be done effectively—there are too many obstructions such as different cultures and priorities—but to pick up ideas that can be transferred. I urge people to keep an open mind about that kind of arrangement.

Before we got to Finland, we were in Germany. There, too, I learned something, which was that the Germans have a different approach to NEETs, and they did not seem to have nearly as great a problem as we

[Neil Carmichael]

have had. They were taking relatively proactive measures to encourage young people to become involved in society at an early stage and to give them signposted ways into further education and employment. That is something that we could pick up on. There is a lot more detail that we could discuss about those trips that would be useful to the debate, but I mention those two examples.

The right hon. Member for Birkenhead was entirely right, and very moving, when he spoke about family structures where parents were sometimes unable to provide decent parenting for their children, and wondered whether he could have survived in certain circumstances. We must recognise that this is a very serious issue. We cannot, as a society, be happy when such comments can be made and readily accepted without question. We must concentrate on improving parenting—not in the case of all parents, obviously, but those with the biggest challenges and problems.

I met a lady in my constituency who is in charge of the Nationwide Community Learning Partnership, which focuses on providing strong and effective programmes for improving parenting. I urge the Minister to think very carefully about such programmes, which offer a way forward. That organisation is of a very high standard. It is based in the county of Gloucestershire but has functions across the country. I think that, allied to Sure Start activities, helping people in need of parenting skills is a way forward. I invite the Minister to meet the Nationwide Community Learning Partnership, because I think that it would bring something of value to the discussion.

We need to be more flexible and open-minded on this issue. We need to recognise that Sure Start has a strong role to play. It is sensible to have a localist and flexible approach to providing such support.

In this debate, it is worth remembering the role that the pupil premium will have in helping children. I do not think that it has yet been amplified, but I believe that it is an important way of getting financial support to the right place at the right time. The schools I have visited in my constituency that will receive a large amount of pupil premium recognise its value.

The Government's decision to provide funding for two and three-year-olds is a big step in the right direction. As hon. Members have said, one can tell when children who need that support have received it and when they have not. To solve the problems of children in this category, it is logical that we must help them when it really matters, and it really matters at that young age.

This is an important debate. We have to be sure of the quality of the services that we provide. We need better evaluation and a wiser way of interpreting the data. We must capture the needs of local people and children in a much more intelligent way. To a large extent, that means trusting local authorities to do just that. It is right to have this debate at this time. There are a lot of challenges and we should not rest until the headline figures that I referred to at the beginning of my remarks come down much faster than they have done thus far.

2.43 pm

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I am delighted to have the opportunity to contribute to this debate. I give my apologies in advance in case the debate continues beyond 4 o'clock, because I am hoping to speak in Westminster Hall.

I agree with the hon. Member for Stroud (Neil Carmichael) about the importance of evaluation. There have been constructive speeches from Members from across the House. As my hon. Friend the Member for Huddersfield (Mr Sheerman) said, we have to start by looking at the evidence of what is working in our country and, as several hon. Members have said, what has and has not been successful in other parts of the world. Several hon. Members talked about the balance between having universal expectations of services in all parts of the country and local flexibility. I am a fan of local flexibility. The hon. Member for Stroud said that the situation must depend on the needs on the ground. I say to him gently that although that is true, meeting those needs on the ground depends on the resources being there. In the latter part of my speech, I will talk about the impact of the Government's cuts to these grants on children's centres and nursery provision in Liverpool.

I absolutely concur with the hon. Member for Beverley and Holderness (Mr Stuart) on the need to focus on those who are not in education, employment or training. Ultimately, the success or failure of Sure Start and other investment in early years will be assessed by whether we succeed in cracking the nut that all speakers have referred to: that so many people's life chances are set before they go to primary school or even, as my right hon. Friend the Member for Birkenhead (Mr Field) said, before they enter a Sure Start children's centre.

Before 1997, I had the privilege of working with my right hon. Friend the Member for Barking (Margaret Hodge), who is now Chair of the Public Accounts Committee. She was asked by the then Leader of the Opposition, Tony Blair, to develop a policy for early years. That ultimately became the Sure Start policy that was taken up in Government by my right hon. Friends the Members for Sheffield, Brightside and Hillsborough (Mr Blunkett) and for Dulwich and West Norwood (Tessa Jowell). Our approach then was very much the one that my hon. Friend the Member for Huddersfield set out. We looked at the evidence and at the examples of excellence from our own country. They did exist, but they were individual cases rather than occurring nationwide. Perhaps more importantly, we looked at the head start programme in the United States, which seemed to be having such a big impact on the life chances of children and young people from poorer communities, and at similar programmes in European countries.

My right hon. Friend the Member for Birkenhead has had to leave the Chamber, but his speech was an important contribution to the debate. In the latter part of my remarks I will focus, as I am sure will other Labour Members, on the impact of Government cuts, and in doing so we are saying that not everything in the garden is rosy. Of course some children's centres are doing better and are more effective than others, but we need a proper quantitative and qualitative analysis of what is working so that lessons can be shared across the country.

Mr Graham Stuart: I believe it was the right hon. Member for Birkenhead (Mr Field) who had the courage to say that if one believes in early intervention, in the current financial situation one must reduce funding further up by taking money away from primary schools, secondary schools and colleges, and give it to early years. Does the hon. Gentleman therefore support the fact that two-year-olds will now have nursery education at a cost of more than £300 million, which perhaps reflects a redistribution from later school years by this Government?

Stephen Twigg: I welcome that element of what the Government have done. On its own, it would represent something of a redistribution. The trouble is that it exists alongside other changes that work in the opposite direction—principally the removal of the ring fence. The hon. Gentleman referred to the debate on ring-fencing. It has always struck me in debates about education and other public services that people tend to be against ring-fencing in general, but in favour of it in particular. We all want our favourite thing to be ring-fenced, but we do not like the general idea. The principle of moving away from central Government saying, "You must spend this funding on this, regardless of local circumstances," is good. However, it is concerning in this instance, not least because it is happening in the context of cuts in many areas. With the best will in the world, it is very difficult for local authorities to maintain expenditure on early years with the ring fence removed, when they are having to make such big cuts in other areas of their budgets. I will come back to that point, but I urge the Government to think again about the proposal to remove the ring fence for this area of spending.

I think that the case for investment in this area is now accepted across the House. It can make such a difference to the life chances of all children, and in particular those from the poorest and most deprived areas with the greatest need. The formulation set out by my right hon. Friend the Member for Birkenhead is right: we want a universal service, but within that, we must focus without relenting, and without any apology, on the needs of those from the very poorest communities.

That brings me to the financial predicament that is being faced by local authorities of all parties up and down the country. There is no quarrel about the need for cuts, or about the fact that some of the cuts will affect children's services, but our concern is that the scale, speed and distribution of those cuts, combined with the removal of the ring fence, will cause enormous damage.

Tracey Crouch: In the light of what the hon. Gentleman has just said, will he join me in congratulating Tory-led Medway council, which has had a difficult funding settlement, on keeping all its Sure Start centres open, including the All Saints centre in Chatham and the Kingfisher centre in Princes Park?

Stephen Twigg: It is very welcome to hear of any authority that has managed to keep all its centres open despite these financial circumstances. We heard earlier, during Prime Minister's questions, about another Conservative authority, Bromley, which is closing the vast majority of its children's centres. The impact is clearly being experienced in different ways in different parts of the country, so I welcome the fact that Medway has managed to keep its centres open. I am not sure whether my welcoming that will make much of a newspaper headline in the hon. Lady's constituency, but her news is nevertheless welcome.

Mrs Hodgson: My hon. Friend the Member for Westminster North (Ms Buck) has talked about the services that the centres will provide. Does my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) not agree that it is all very well keeping the buildings open, but that that will not be much use if the services have been scaled back to a point at which they are unrecognisable?

Stephen Twigg: My hon. Friend is absolutely right. I am not familiar with the details of what has happened in Medway, so I do not know whether that has happened there, but that is precisely what is happening in other parts of the country, as my hon. Friend the Member for Westminster North (Ms Buck) has said. In Liverpool, the day nurseries attached to two of the centres in my constituency, at Croxteth and Knotty Ash, are closing down. Keeping centres open is an important indicator, but it is not the only one. What matters is what goes on inside the centres and the services and outreach that they provide.

Liverpool city council is seeing the greatest cuts of any authority in England. Birmingham council, a Conservative-Liberal Democrat council, has produced a fascinating graph showing the relationship between the cuts in Government grant and the average level of need in an authority. There is a remarkable relationship between how deprived an area is and how big the grant cuts are. Liverpool is right up at the very top with the biggest cuts and the highest levels of deprivation. We accept the need for cuts, but we do not think that they need to go as far or as fast, and even if the quantum of cuts can be justified, their distribution between different authorities absolutely cannot be.

In that context, Liverpool city council, which has placed a strong emphasis on children's services over the past decade under Liberal Democrat and now Labour control, is having to cut children's centres. It is not cutting them on the same scale as Bromley, but, of our 26 centres, four are earmarked for closure, which is four more than I want to see. It is also four more than my hon. Friends the other Liverpool MPs want to see, and four more than all the parties on Liverpool city council want to see.

One of my first engagements as the new MP in West Derby last May was to attend the opening of the West Derby children's centre. A week ago, I went back there to attend a meeting to discuss its proposed closure. It is heartbreaking for the children, the parents and the people working at the centre to see that fantastic new facility, which was created for that community, facing closure. Even at this late stage, I am working with people at the centre and councillors to consider every possible option for safeguarding it, even if it takes a different form in the future. My hon. Friend the Member for Huddersfield talked about mutualisation and social enterprise options. There might be options for at least some of the services at that children's centre to be retained, but it would have been much better to keep the whole centre open. It opened only a year ago to provide all those services for the local community, and what is happening now is a direct consequence of Government cuts.

I also visited the Knotty Ash nursery last week, and I want to mention a woman whom I met there. Lisa Dempster is the mum of a child at the nursery, and she

[Stephen Twigg]

is happy for me to mention her. She left school when she was 16, which was 24 years ago. Throughout those 24 years, she has been in work. She has never claimed unemployment benefit, and she has paid her tax and her national insurance. She has two teenage children and a toddler. Both her teenagers want to go to university, so that they can get on in life. Her daughter, who is in the first year of the sixth form, is losing her education maintenance allowance this year, and her son, who starts sixth form this September, will not receive EMA at all. Her children are losing their bus passes, and they fear that they will face enormous debts in the future. On top of all that, her little one's nursery place is going to be lost. She is a good example of someone who has been very badly let down by this combination of policies from the Government. The latest blow for her and her family is the closure of her local nursery.

I apologise again that I might not be here to listen to the Minister's response to the debate, but I shall read the *Hansard* record. I urge her to think again, in two respects. First, I really believe that the ideal would be for the Government to re-impose the ring fence for Sure Start children's centres. That is the best way for us to ensure that there is a universal entitlement, which goes hand in hand with local decisions about how that entitlement is implemented in each community. If she cannot agree to that today, or thereafter, I ask that she, her colleagues in the Department for Education, and particularly her colleagues in the Treasury and the Department for Communities and Local Government look again at the unfairness of the distribution of the cuts, which are hitting children's centres in some of the most deprived areas of the country much harder than those elsewhere. All those who have contributed to the debate agree that Sure Start has achieved some amazing things over the past decade. We also all agree that a focus on the areas of greatest deprivation must be at the heart of Sure Start in the future. I fear, however, that the broader picture of the cuts will undermine all the Minister's personal good intentions.

2.57 pm

Matthew Hancock (West Suffolk) (Con): I am grateful for the opportunity to speak in the debate today, and I am following a large number of Members who have spoken with great authority and understanding. I have listened with interest to the debate, but one thing seems to be missing. It is the big picture. The biggest impact of the money spent on children's education, in terms of our ability to improve cognitive skills, is seen in the earlier years. There is now consensus not only in the academic literature but across the House that we need to target resources in that area, because that is where they have the biggest impact on child brain development. However, when we consider how the money is spent in the UK and across the world, we see that the inverse of that is happening. Excellent research has shown that the money going into post-16 education in the UK is 1.5 times the amount per head that is spent at primary level. The differential is even greater for the pre-school and under-twos provision that we have been discussing today.

We all recognise this historic anomaly, but the question is: what can we do about it in the context of the extremely tight public spending limits that are necessary, given the scale of the deficit? That is not an easy proposition. The analysis is easy, and the evidence all points the same way, but it is extremely difficult to achieve the practical and political ability to make that change, so that that money will go to children at the age at which it has the most impact.

I shall give two examples. The Government have made two proposals that will save money, because the evidence showed that the money being used did not have as much impact as it could have done elsewhere. They are politically difficult proposals. First, the Government have asked students to pay more of their tuition fees, and secondly, they are restructuring the EMA. At the moment 90% of those who receive it would have stayed in school anyway, so now the impact will be much greater. Those are both extremely politically sensitive changes, yet they are having exactly the impact that Members of all parties have called for.

In an era of rising budgets it may be easy to put more and more focus on increasing spending at the lower end of the age distribution. In an era of very tight finances, however, it is difficult to redistribute and retarget money from the older end, especially post-16, where the evidence shows that the impact on cognitive ability is the smallest, to under-fives, for whom the evidence shows it is biggest. However, this Government are doing it. Members of all parties ought to recognise how difficult it is to make that change in the context of the very tight public finances.

That supports the strength of the Government's position, which I applaud, of keeping the early intervention grant flat in cash terms in the forthcoming period. Protecting money for early intervention, in the context of the current spending conditions, is an achievement for which the Minister ought to be applauded.

We then come to the argument about how that money is spent and where the cuts are falling. I did a bit of research and found 27 councils across the country that are managing to keep all their Sure Start centres open despite the difficult public finances. Of those, 24 are run by the Conservative party and three are Conservative-Liberal Democrat coalitions.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): Can the hon. Gentleman tell the House what percentage cuts those councils are receiving compared with the 4.4% average cut to local authority budgets?

Matthew Hancock: Absolutely. My own county council, Suffolk, did not do very well in the distribution of the local authority grant, but because it is making savings in back-office costs, re-engineering how it delivers services, reducing the cost of services and being flexible in how it delivers them, it is able to keep its centres open. I absolutely take the hon. Lady's point, and the crucial point is that councils ought to be making savings in the back office and re-engineering their services to protect front-line services, as Suffolk is doing.

Mr Slaughter: I will try to keep this non-party political, but since the hon. Gentleman makes that point, I will ask him the same question that I asked the Chair of the Education Committee. If councils are closing most of their Sure Start centres, should we just shrug and say, "Well, that's a matter for localism", or, given what the hon. Gentleman has said, should the Minister take an interest?

Matthew Hancock: There is of course a statutory amount of Sure Start provision that must be in place, as I am sure the Minister will spell out in more detail. The question is whether services can be provided in a way that delivers better value for money, through savings in the back office. I recently chaired a report on councils' ability to save money and deliver services better by bringing together the delivery of local services. Reference was made earlier in the debate to the fact that when that has been done, it has not only saved money but actually improved services. The right hon. Member for Birkenhead (Mr Field) talked about Sure Start centres that also have health and social services, so that they are a one-stop shop. Those are exactly the sort of innovative solutions that we need to examine.

One example of a council that is doing that extremely well is local to the hon. Member for Hammersmith (Mr Slaughter). Hammersmith council, and others across the country, are saving money by changing how services are delivered. That is far better than cutting front-line services, and I commend that approach. I mention that not to make a party political point but to argue that by allowing local councils on the ground to spend money in the way that they see fit, with the flexibility to deliver early intervention as best they can, we allow innovation and improvements in delivery instead of the attitude that the man in Whitehall knows best, which top-down provision and tight ring-fencing bring.

Mr Slaughter: The theory sounds fine, but the practice is different. I am trying not to be party political, but let us say that a council decides it is going to cut the Sure Start budget by about half and close most of its centres. That cannot be dressed up as back-office services, and for many children, the essential services with which they are currently provided will not be there. Should that be a matter for the Government to take an interest in?

Matthew Hancock: That is why it is important to have a specified national minimum level of provision, and then allow councils to ensure that they meet—and, one hopes, exceed—that level. The reason for allowing local innovation and flexibility with a national minimum level is to enable different approaches to be taken in different places, so that best practice can emerge. That lets local councils and people deliver in the way that is most helpful and appropriate to local people, but it is also about ensuring that instead of a centralised, bureaucratic system, we have a local system that responds to local need.

We heard earlier from the hon. Member for Huddersfield (Mr Sheerman) that we need better management, but we have had a centralised system for years. As a member of the Public Accounts Committee I am obviously well aware of National Audit Office reports, and, sad to say, the NAO found that the amount of formal child care among the most disadvantaged fell between 2004 and 2008. Instead of leading to more provision for those people, the centralised approach actually led to less, so let us try a different way.

Andrea Leadsom: Does my hon. Friend agree that if we had too centralised a system, we would lose the excellent work of many voluntary sector organisations in specific areas, such as the charity with which I have been involved in Oxfordshire, OXPIP? We would not have the opportunity to introduce local services to meet local needs.

Matthew Hancock: I listened with great interest to my hon. Friend's passionate argument earlier, which made exactly that case. Local innovation and a local ability to respond to local events, with a national set of standards that must be met, allow money to be spent better.

I come to the central reason why I support that approach—the fact that it is about outcomes, not inputs. Tight ring-fencing is all about ensuring that the inputs go to a certain area. I understand as well as anybody how easy it is to get a headline out of writing that x million pounds is going to such and such a project—but what matters to people on the ground is not the amount of money poured in at the top, but the outcomes delivered at the bottom. The ability to improve value for public money, get better outcomes and have innovative social groups, such as the one that my hon. Friend the Member for South Northamptonshire (Andrea Leadsom) mentioned, is, given the extremely tight fiscal environment, vital. I therefore applaud the Government's approach in loosening ring-fencing while retaining minimum standards to allow flourishing local innovation and improve the value that we get for the hard-earned taxpayers' money that we spend on their behalf.

In the context of spending more money on early years, and thus getting better outcomes, I also applaud the free entitlement to 15 hours of early years education for the most disadvantaged two-year-olds. That is another example of managing to get money from the older part of the age range to the younger part. I also strongly applaud the desire for increased qualifications in the work force and better leadership, especially through the National College for Leadership of Schools and Children's Services, to ensure that we get more highly talented people into the work.

Of course, I welcome the 4,200 extra health visitors, targeted at very young age groups. I think we can all agree that the reduction in the number of health visitors in the past few years was a mistake. Reversing that and ensuring that there is universal coverage, and more health visitors, is very valuable.

Mr Sheerman: The hon. Gentleman made a good point. As soon as I realised that he was a member of the Public Accounts Committee I took great notice of his words. However, early years professionals and a qualified teacher will not be required even in the children's centres that have full-day provision. Surely, if he believes in professionalism in the work force, he deplores that. On a visit on Friday, I found that people are giving up on the early years qualification, because they feel that it is no longer valued and will not be funded after 2012.

Matthew Hancock: It is important to have highly qualified people, but again, I would not make that mandatory for a centre because many people are highly qualified to work in and deliver early years education, but do not have the specific qualification. If people in, for example, the charity with which my hon. Friend the Member for South Northamptonshire is closely involved do not have that qualification because they have come to it through a different route, I would not want to put a barrier in their way. That does not mean that we should not have more professionally qualified people.

Mr Sheerman: Is the hon. Gentleman saying that it is okay for unqualified people to provide the professionalism in Sure Start centres? That seems to be happening in the

[Mr Sheerman]

schools sector—in free schools—recently. Do qualifications mean nothing in the profession any longer, according to the Government?

Matthew Hancock: Of course qualifications are meaningful, but does the hon. Gentleman claim that no person without the formal paper qualification is up to the job? I do not think so. Of course, a qualification is part of someone's resumé and experience, but we should not be so bureaucratic about the piece of paper. We should look at the person's ability and qualifications through their history.

Andrea Leadsom: I thank my hon. Friend for giving way again. On qualifications, in the charity with which I am involved there are people with PhDs in psychotherapy, and paediatricians, who have decided to move to working with the very young. It is nonsense to say that having a specific piece of paper uniquely qualifies someone to support early years.

Matthew Hancock: I agree wholeheartedly.

There is a consensus—I am glad that there is—about the need to focus resources on early years. There is much more difficulty with actually doing that, and several people will the ends without willing the means. I regret it when the subject becomes a political football, because almost all of us agree about the ends. Before the election, the right hon. and learned Member for Camberwell and Peckham (Ms Harman) went to Ipswich and said that Sure Start centres would be closed there. However, they are all open. It was a mistake to make that prediction, and she should withdraw it. Similarly, it is a mistake for the Labour party to argue that the amount of cash for the early intervention grant is falling when it is being kept flat. We should work together to achieve the ends, about which we all agree, in the difficult circumstances that the Government did not bring about, to ensure that we serve our children best and improve their life chances, cognitive abilities, skills and happiness. We should not create a political football, saying that we agree about the ends while disagreeing on the means to achieve them.

3.15 pm

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): To close a building in a community can rob it of a useful resource, but to close a children's centre robs a community of something far more precious—its future. We have heard many contributions about the value of Sure Start and our children's centres, and differing opinions about the extent to which they have been successful, but there has been general consensus that the Sure Start programme has been a success and ensured that children get the right start in life.

I have visited all the children's centres in my constituency and been struck by the many stories of the parents and grandparents who take their young ones to them, and have benefited from them more than from many other services that our local authorities provide.

I will be party political in my speech: Conservatives are robbing families in my constituency of the chance of a better future. As my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) said, it is a matter of record that the city of Liverpool has the greatest need but is getting the biggest cuts. To those who need the most will come the least. My first question to Government Front Benchers who are present—and to Treasury Ministers who are not—is to ask what they have against the children of my constituency. *[Interruption.]* Yes, it is.

At least the House and the country can see what the Government's priorities are. As my hon. Friend the Member for Liverpool, West Derby said, even if Liverpool had the average level of local authority cuts, my city would get £26 million more than it currently receives—enough to save the Sure Start centres at Childwall and Woolton, and Church and Mossley Hill, which are today threatened with closure.

Claire Perry (Devizes) (Con): Will the hon. Lady give way?

Luciana Berger: No, I will not give way to the hon. Lady, who has only just joined the debate. I have been here for two hours.

If we take out the money allocated to Liverpool schools, Ministers have decided to cut the money for children and families by 35%. In the city with the greatest need, more than a third of the budget for children and families is being shed.

We all support efficiency and back-office cost savings, but I asked the Minister in a named day question on 15 February what the average back-office costs for a Sure Start centre are. I am still waiting for a response.

Matthew Hancock: I am puzzled; I hope I will not be shocked. I know that Liverpool council's total spending power is falling by 15% over two years in real terms. The hon. Lady has just claimed that spending on children's services is falling by 35%. Is it true that Liverpool council—

Mr Graham Stuart: A Labour council.

Matthew Hancock: Is it run by the Labour party? Is it true that that council is cutting children's services by so much more than the total overall cut?

Luciana Berger: The grants to children, which are not allocated to schools, are being cut by 35% in Liverpool by the Government. *[Interruption.]*

Karl Turner (Kingston upon Hull East) (Lab): By the Government, not the council. It is no good Conservative Members shaking their heads.

Luciana Berger: Let me get back to my point about back-office costs. How much can be saved in back-office costs from a Sure Start centre that has a part-time co-ordinator and one receptionist? I asked that question because of the heartbreak and concern that this matter is causing parents and grandparents in my constituency, and I want to share the strength of their feelings with the House. I have received many letters and e-mails in recent days, as I am sure other right hon. and hon. Members have. These are the voices of the communities who do not feel that they are "all in this together", and the voices of parents who feel that they have been singled out for attack.

Wendy told me:

> "I was devastated to hear that my local children's Sure Start centre at Woolton and Childwall is in the pipeline for closure. As a new mum I have found the centre to be extremely supportive and a vital service for the community. The staff have always been brilliant and extremely informative. It is also a great opportunity to meet other parents."

Kate said:

> "Sure Start have responded well to the local needs. They recognised the presence of a number of families with twins locally, and promptly provided specific twin baby classes and a multiple birth support group. It is hard to express how important these groups are. As a family with twins, you are excluded from some other activities (e.g. swimming) and simply struggle to take your babies to anything that is not well set up to cope with twins. And yet, as a mother at home with multiples, your need to get out and stimulate the kids is even greater. Our local Sure Start centre is a haven for us!"

Helen wrote:

> "The children's centres are important in our communities and help to give our children the best possible start in life";

and Emma wrote:

> "the staff at Church and Mossley Hill Sure Start are some of the most skilled and committed I have ever met (and I have more than 10 years' experience working in education). Church and Mossley Hill Sure Start is an over-subscribed, thriving hub of support for parents and babies in south Liverpool…Church & Mossley Hill Sure Start has already built up strong and lasting links in the short time that it has been running."

My inbox and letter bag have been swamped by many more messages like those.

The Secretary of State for Education (Michael Gove): I should like first to take this opportunity to apologise for the delay in the answer to the hon. Lady's named day question; I will investigate that on her behalf.

The hon. Lady is making a powerful case, and I join her in praising the hard work and dedication of the staff whom she has rightly praised. However, as she will be aware, funding for Sure Start children's centres is distributed through the early intervention grant, which is calculated on a formula basis to take account of rural sparseness, need and—particularly—deprivation, according to working tax credit data. Obviously, we want to ensure that that formula is improved if necessary. Does she have practical suggestions for how the early intervention grant should change to ensure that the communities most in need receive what they deserve?

Luciana Berger: I thank the Secretary of State for his intervention. The cabinet lead for education in Liverpool, Councillor Jane Corbett, about whom I shall say more, has spent many an hour with local education practitioners, members of the community and Sure Start staff to talk to them about what can be done. I would welcome the opportunity to join representatives from Liverpool to meet the Secretary of State to discuss that.

Michael Gove: I am sorry to intervene again, and I am grateful to the hon. Lady for allowing me to do so. I am looking forward to visiting Liverpool on 28 March, and I am sure that I can extend the itinerary that the hon. Member for Liverpool, West Derby (Stephen Twigg) is shaping for me so that I have time to talk to the people concerned.

Luciana Berger: I look forward to the Secretary of State's forthcoming visit to Liverpool.

From many pieces of correspondence with families in my constituency, I have learned that they cannot understand why, when they play by the rules—many are in work and paying their taxes—their most prized and precious asset is the among the first to come under the axe. Councillor Jane Corbett, whom I mentioned—she is Liverpool council's education and children's services cabinet member—spoke for so many in our community when she said:

> "The Government is showing complete contempt for the youngest children in Liverpool by putting forward these politically motivated cuts. I cannot believe the lack of concern for children and families in Liverpool."

Liverpool people have a strong sense of fairness. They know that the Government are not treating them fairly, and they will not forget it. If the Government want a big society, they need not look much further than the Sure Start centres at Childwall and Woolton, and at Church and Mossley Hill.

Mr Graham Stuart: The hon. Lady was just asked how she would like the deficit impacts to be dealt with on a local authority basis, and said that she would welcome a meeting. However, if there were a Labour Government, how would the money have been divided up? Undoubtedly, under a Labour Government, there would have been pain in children's services, as in other areas, just as under a coalition.

Luciana Berger: I will come to what needs to happen in the final part of my speech.

To go back to my previous point, the Government seek a big society, but we already have that—in the two Sure Starts that are under threat of closure. We have committed staff, engaged parents and fantastic children. However, if we are looking for a big betrayal of children's hopes and futures, we need look not much further than those on the Government Benches.

My hon. Friends have spoken previously about pledges that were made before the election, and I want to repeat those in this debate, because those important points have not been made today. The day before the election, the Prime Minister said:

> "Yes, we back Sure Start. It's a disgrace that Gordon Brown has been trying to frighten people about this. He's the Prime Minister of this country but he's been scaring people about something that really matters. Not only do we back Sure Start, but we will improve it."

Also on the day before the election, the Deputy Prime Minister said:

> "Sure Start is one of the best things the last government has done and I want all these centres to stay open."

On behalf of all parents and children in the communities in my constituency who today depend on Sure Start in these challenging times, and those who will depend on it in future, I urge the Government, the Prime Minister and the Deputy Prime Minister to honour the pledges that they made the day before the election. As my right hon. Friend the Leader of the Opposition said earlier to the Prime Minister, it is not too late to ring-fence the money to save our Sure Starts.

3.26 pm

Mr Andy Slaughter (Hammersmith) (Lab): I have raised the cuts in Sure Start provision in my constituency with the Minister on a number of occasions, but I make

[Mr Andy Slaughter]

no apology for raising the matter again today. She will accept that this is serious and that I am very concerned. They are the most substantial cuts in public services so far in Hammersmith—from what I have heard today, there are some horrific stories from around the country—and the cuts in my constituency are the largest proportionately anywhere, in that nine of 15 centres will close.

When the Minister responds to the debate, I want her to answer this question, which I have put to the Chair of the Education Committee and others. What is the proper role of the Government in local authorities that do not do what the Government say they should do? Given all the talk of localism, and the fact that the Government are happy to intervene when they think that councils are not clearing snow quickly enough or emptying bins often enough—*[Interruption.]* I am directing my comments to the Minister, who I hoped would listen to them, but apparently she will not—*[Interruption.]* I will pause, if you do not mind, Madam Deputy Speaker, until the Minister pays attention, given that I am asking her a direct and specific question. She persists in talking to her colleagues and not listening, which is somewhat discourteous. I am talking about the majority of services for the under-fives in my constituency being cut by her Government, so she could at least have the courtesy to listen to my comments.

Sarah Teather: I sincerely apologise for not listening to the hon. Gentleman—I was trying to hear when this debate was going to wind up and when I would begin my speech—but he now has my full concentration.

Mr Slaughter: I am grateful for that. The Minister has said in previous debates that she has concerns about what is happening in Hammersmith. Her view—she has expressed it both in answer to parliamentary questions and in debate—is that there is sufficient money in the early intervention grant to preserve the network of Sure Start centres. I am sure she will repeat that view today, in spite of a cut of about 13% coming from central Government—certainly my Conservative council has said that the cut in Sure Start funding through the early intervention grant is 12.9%.

Given that we are talking about what are already pretty lean organisations, as my hon. Friend the Member for Liverpool, Wavertree (Luciana Berger) said, we could argue about whether even a 13% cut can sustain the current professional network. However, the Minister has set out her stall on that, so I will address the issue locally, because even on the basis of the cut of about 45% that we are facing—a cut that has been revised slightly downwards—the preservation of Sure Start in Hammersmith is demonstrably unsustainable.

Without going into too much detail, there are one or two points from my local examples that bear analysis, because similar things may be happening elsewhere in the country.

Mrs Hodgson: Before my hon. Friend moves on, I would like to get some clarity on the assertion, which we keep hearing, that the early intervention grant is being protected in cash terms. When we look at the technical note, which I continually refer to—I even carry it round in my handbag, to have it handy at every opportunity—we see a £311 million in-year cut for 2010-11. It looks as though the grant is being protected in cash terms, but a £311 million in-year cut is being taken off the bottom, so it is not protected in cash terms at all. When we bear that in mind, we see that we are talking about a 20% cut over three years.

Mr Slaughter: Indeed, and with a 13% cut in the first year for my area. However, if my hon. Friend does not mind, I want to leave her and the Minister to debate that point, which is a valid one. We heard a disingenuous speech by the hon. Member for West Suffolk (Matthew Hancock), who implied that there was no need to make cuts of that order and that the Government were in some way protecting Sure Start. On the figures that my hon. Friend has given, that is not true around the country. However, if she does not mind, I will leave that point because, from my perspective, we would be grateful for a 13% cut—if I can put it that way—rather than what is actually happening.

Gordon Birtwistle (Burnley) (LD): Will the hon. Gentleman expand on this 45% cut? It has been said that the cut adds up to 15% over three years, so has he not got it the wrong way round? It is not 15 multiplied by three; it is 15 divided by three. Could he expand on how he has got to 45%?

Mr Slaughter: If the hon. Gentleman bears with me, I am sure that he will get the point that I am coming to, but, in essence, because the money is not ring-fenced, my local authority has voluntarily chosen, in the face of what it says is a 13% cut from the Government, to make a 45% cut in the first year. That came about in the following way, which bears some analysis.

Karl Turner: It seems that the temptation for Government Members is to say that councils are making decisions for political effect, but that is simply not true. My Lib Dem local authority settled its budget last Thursday, and the cut to Sure Start children's centres was huge—something like more than 50%. That was certainly not done for political effect, because as a Lib Dem council it was already very concerned about the prospect of annihilation at the May elections.

Mr Slaughter: I am grateful to my hon. Friend, but I shall now try to make some progress.

On or about 27 December—a time when we are all assiduously reading Government and council documents—my local authority published a report on family support, indicating what funding would be available over the next financial year. The report addressed Sure Start—not directly, but obliquely—first by rubbishing Sure Start provision, saying that although the centres were

> "clearly popular with families, and seem likely to have some preventive impact, we have much less clear evidence about the degree of impact this has—including on the ultimate number of children falling into child protection",

and that

> "early studies showed no clear evidence of impact on early school results".

That might come as a surprise to Members on both sides of the House, given that we heard my hon. Friend the Member for Liverpool, Wavertree earlier quoting the Prime Minister and Deputy Prime Minister—certainly before the election—expressing their strong support for

Sure Start. However, those rather vague and grudging comments were used as the basis for reducing Sure Start funding by over 50%, with the council report saying:

> "However, it is not likely under this scenario that LBHF could continue to directly fund more than 6 Children's centre teams. In any case we would no longer seek to directly run centres",

adding that it aimed

> "to maintain some provision at most centres, through small amounts of pump-priming funding."

In the financial section of the report, however, no money whatever was provided for such pump priming; money was provided simply to keep the remaining six centres open.

Perhaps unsurprisingly, by the time report came to committee and was due to be dealt with on 10 January, there was what might be called "a row on the town" in that a large number of people were concerned about it and turned up at the meeting. Indeed, my hon. Friend the Member for Washington and Sunderland West (Mrs Hodgson) was one of them, so she might want to comment further in her own speech. At that meeting, the authority, faced with great popular disapproval, told people that they had misunderstood the position as no centres were going to be closed, and had misunderstood that the decision had already been taken as consultation was about to be launched. That is what we were told. That would have sounded quite good, save for the fact that the report was then passed in its entirety, including the 50% cut to the budget. We were in the peculiar position of being told one thing when a decision had been taken that was entirely contrary to it. The situation became even more complicated when, later in the same week and rushed out in response to public demand and other factors, a consultation paper was published, with an extra £19,000 slipped in, which turned out to be the pump-priming money—the £19,000 that was going to the Sure Start centres under threat of closure.

Leaving aside the fact that this was shambolic, chaotic and no way to run anything, let alone a local authority, we need to reflect on the reasons for this process of decision making. There were three. The first was connected to public relations. By putting £19,000 into centres that previously had no money at all, the authority could say to the general public and the media, who by this time were taking a strong interest in the issue, that it was not closing the Sure Start centres. Secondly, the consultation was done quite successfully, but it confused the parents and users of those centres, who were told that the centres were not closing but staying open as a result of this £19,000. Thirdly, and perhaps most importantly, somebody had bothered to look at the regulations, so a scrutiny report was published at the same time, making the observation:

> "Local authorities have duties under the Childcare Act 2006 to consult before opening, closing or significantly changing children's centres, and to secure sufficient provision to meet local need".

The authority realised that it would be subject to judicial review if the consultation process did not happen. I suspect that it will still be subject to judicial review because consulting after the decision has been made is not the best option.

Mrs Hodgson: I read that same paragraph in a copy of a letter from the hon. Member for Mid Dorset and North Poole (Annette Brooke), which was a response to a letter to the Minister of State, Department for Education, the hon. Member for Brent Central (Sarah Teather), from the all-party Sure Start group. I was curious because I thought it sounded like closing the stable door after the horse had bolted. Once the budget cut has been made, the consultation does not matter, because if the consultation showed that people wanted to keep the centres, where would the money come—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We need much shorter interventions, as there are more Members wishing to participate in the debate.

Mr Slaughter: The whole situation is clearly nonsense. The belated process of consultation closed on Monday 28 February, but the budget for the year was decided at the budget council meeting on 23 February. Nobody is fooled by this, and I suspect that the divisional court will also not be fooled by it when it comes to look at the decision-making process over Sure Start in Hammersmith and Fulham.

There is a fourth reason for the last-minute change of heart, whereby no money suddenly became £19,000. Another paragraph of the later report said:

> "We understand that there is no expectation of claw back of capital spend on children's centres"—

that is, by the Department for Education—

> "unless the buildings are no longer used for the services for under fives and their families. We are confident that the proposal outlined above will satisfy DfE requirements."

So one of the officers said that if the grant was withdrawn as intended and as decided, the Minister of State would come round, not to see what wonderful work had been done but to take back the buildings that had subsequently closed.

Two centres are closing in the ward where I live, in a substantial area of deprivation. About a minute's walk from my home is Wendell Park children's centre. A number of parents whose children attend the centre were at the seminar held this morning by the shadow Secretary of State for Education, my right hon. Friend the Member for Leigh (Andy Burnham), and I met them afterwards. They are campaigning to keep their centre open, and they are under no illusion—

Michael Gove: Will the hon. Gentleman give way?

Mr Slaughter: No, I will not give way to the Secretary of State, at least not at the moment. If he wishes to participate in debates such as this, perhaps he should be present from the beginning. Given that when I have tried to raise this and other education issues in my constituency with him over the past few weeks his replies have been flippant and have not addressed those issues, I am in no particular hurry to hear his views on this subject. I may give way to him if I have time at the end.

Michael Gove: Forget it. *[Laughter.]*

Mr Slaughter: I may give way later.

Michael Gove: I was only trying to be helpful.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I think that we had better continue with the debate.

Mr Slaughter: I think that I should sometimes say what I feel in these debates.

As I was saying, the Wendell Park parents whom I saw this morning were under no illusion that reducing a budget of £250,000 to £19,000 meant anything other than that the centre would be closed. Cathnor Park children's centre, which is about half a mile from where I live and which currently has a budget of £473,000, is also to have a budget of £19,000 in the future. The 400 parents who turned up to a meeting at that centre two weeks ago—which none of the Conservative councillors could be bothered to attend—are similarly under no illusion about what is happening. Notwithstanding the weasel words that we have heard from certain Government Members, what is happening is that children's centres are closing, their budgets are being withdrawn, the centre is being withdrawn and 45% of funding is being withdrawn. That is the future of Sure Start in my constituency.

Does the Minister of State take any responsibility for what is happening? I understand the rhetoric about localism, but I also understand that if we are to take seriously what the Government said before the election—that they support Sure Start and want the network to be maintained—and if local authorities, of any political complexion but in this instance my Conservative-run council, are cutting budgets by almost 50% and reducing the service by more than half in terms of the number of centres that remain open, the Government have a clear duty to intervene.

Although its budget has already been set, it is still possible for Hammersmith and Fulham to look for resources within the funds that have been allocated. This is a council that spends several million pounds on publicity. It would not be difficult for it to find enough resources to keep the Sure Start centres open, albeit at a reduced level for the time being. At present, all the centres that face closure are considering how they can save money, examining business plans and looking at ways of maintaining the service, but people should not insult our intelligence by claiming that although there is no budget and no service, centres are somehow being preserved because buildings are still standing—if they are not also withdrawn by the Government.

I ask the Minister of State to address directly an issue that she has already addressed obliquely. What is she going to do about local authorities which, despite what they have heard Ministers say about Government policy on Sure Start, persist in shutting down what ought to be a national service of which we should be proud—as I thought we all were—because they do not consider it to be a local priority?

3.44 pm

Steve Rotheram (Liverpool, Walton) (Lab): I am delighted to follow my hon. Friends the Members for Liverpool, Wavertree (Luciana Berger) and for Liverpool, West Derby (Stephen Twigg) in speaking in this important debate. The fact that three Labour MPs representing Liverpool constituencies have contributed shows the depth of feeling in our city about the issue under discussion.

In a move designed to detoxify the Tory brand and cultivate cuddly, compassionate Conservatism—allegedly big on children and the family—the current Prime Minister told Tory acolytes back in 2009:

> "Sure Start will stay, and we'll improve it."

Actions speak louder than words, however. Eighteen months and one election later, 250 children's centres are due to close nationwide and some 2,000 will be forced to reduce their services. Sure Start as we know it looks set neither to "stay" nor "improve". This is another example of Cleggism, if one was needed: saying one thing, but doing another.

Mr Graham Stuart: Will the hon. Gentleman give way?

Steve Rotheram: No, not just yet.

It is glaringly obvious that the Government do not understand the holistic nature of the Sure Start children's centres—their qualitative as well as their quantitative value. Yes, they are about providing a co-ordinated range of practical facilities and services, but, equally importantly, they are also about offering social and emotional encouragement and support, often to parents living in some of the most disaffected, marginalised and hard-to-reach communities in the land.

Sure Start children's centres do not cater only for the most disadvantaged—whom our Cabinet of multi-millionaires clearly finds so tiresome. They also support hard-working low and middle-income families. Ministers would do well to remember that. Isolation, chaos and dysfunction are both causes and symptoms of family deprivation and marginalisation, and are not the preserve of the least well-off.

I fully acknowledge that the children's centre programme, which is still in its infancy, is far from perfect. The quality of provision is sometimes patchy, there is room for standardisation and improvement, and although all the indications are good, it is much too early to evaluate the benefits fully.

Claire Perry: First, may I apologise for joining the debate late? I was attending a Justice Committee meeting.

I agree with the hon. Gentleman about the need for these centres, but Wiltshire has had a 25% cut in its revenue support grant yet not a single centre is closing—and no library is closing either, so why is Liverpool choosing to shut its centres? This is a matter for the local council, not central Government.

Steve Rotheram: You just don't get it, do you? I do not know what the settlement is in your area. *[Interruption.]* Well, let me tell you that the total settlement in Liverpool is—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Members must address each other through the Chair.

Steve Rotheram: I apologise, Mr Deputy Speaker. To address the hon. Lady's point, Liverpool is the most deprived area in the country—I have said that before in the Chamber—and it is facing the biggest cuts not just in the policy area under discussion, but in all areas. I invite both the hon. Lady and the Secretary of State for Education to come and see my constituency. It is not only in the most deprived area in the country; it is one of the most deprived constituencies in the most deprived area in the country.

Stephen Twigg: As my hon. Friend has said, Liverpool is the authority with the greatest need. Does he agree that Liverpool city council is to be commended for focusing its cuts first and foremost on back-office functions, halving the number of senior managers, cutting the chief executive's pay and reducing bureaucracy, yet even after that it has had to make service cuts?

Steve Rotheram: I thank my hon. Friend and fellow Liverpool Member of Parliament for the points he makes. I should perhaps put on record the fact that until May I am still a Liverpool city councillor, so I understand the difficult decisions those councillors are having to make. This is an open book: anybody can come to Liverpool and have a look at the situation we face—councillors' unenviable task of going through the budget and trying to decide which services to cut.

We are often told by Government Members that we are "deficit deniers". That is the mantra that everybody uses when they come to the Dispatch Box—the Prime Minister did it again today. If they do not think we should be cutting children's centres or any other service in Liverpool, they should tell us what they think we should be cutting. It is their Government who have slashed funding to our city right across the board. We have been hit the hardest, yet we are the most deprived. *[Interruption.]* What was that? I am sorry, Mr Deputy Speaker, I thought somebody on the Government Back Benches said something.

Luciana Berger *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We will have less noise from the Back Benches, unless it is an intervention. I have two people standing. Steve Rotheram, I do not know whether you are giving way. I call Luciana Berger.

Luciana Berger: Did my hon. Friend see the report on BBC news only the other evening in which an independent efficiency expert, Colm Reilly from PA Consulting, singled out Liverpool city council for the work it had done to make £70 million of efficiency savings so far, with £30 million to come in the next couple of months? He said that, despite all these efficiency savings, there was no way that Liverpool city council could protect the front line.

Steve Rotheram: My hon. Friend is of course right, and Colm Reilly was not the only one to say that. The Secretary of State for Communities and Local Government praised Liverpool city council for its efforts to come up with a budget, given the circumstances it finds itself in.

As I said, the indications are good, but it is much too early fully to evaluate all the benefits of Sure Start. That is precisely why we should be giving it a fair chance to bed in, rather than hobbling it before it has barely taken off.

Bill Esterson: I add my own congratulations to Liverpool city council for the way in which it has tackled the almost impossible task of managing the budget and protecting Sure Start and other key preventive services. I use this opportunity to call on Sefton council, which has its budget meeting tomorrow night, to follow Liverpool's lead in protecting Sure Start and other vital services.

Steve Rotheram: As we have heard, the Government and certain Members just do not get any of this, but actually, Liverpool city council does get it. It is much maligned of late by the Con-Dems, of course, but, no thanks to the coalition, and despite an 18% cut to its early intervention grant, from which Sure Start funding must now be drawn, it has managed to secure the future of 22 of its centres and will work hard through its consultation process to find ways of avoiding the closure of the four that are threatened, which my hon. Friend the Member for Liverpool, West Derby referred to earlier.

However, this is no vindication of the Government's approach, as unfortunately, service reductions are inevitable. City-wide, under-fives and their families will suffer as a consequence and, needless to say, Liverpool city council has been forced by the Government into the iniquitous position of having to take from Peter to give to Paul. Shuffling reduced resources has inevitably meant that protecting children's centres has come at the price of other vital services.

I am particularly concerned about the broader, vaguer proposal tucked away in the coalition agreement to introduce payment by results into the Sure Start equation. Market forces bring with them risks, competition and inconsistency. People such as the hon. Member for West Suffolk (Matthew Hancock) may disagree, but in my book there is no place for any of those in the delivery of services to children and young families.

All this would of course be all well and good if the Government could present a reasoned, evidence-based case for change, but as usual they cannot. In fact, in their arrogance they appear to have gone out of their way stubbornly to ignore popular opinion and expert advice, proffered well in advance of their budget deliberations.

Mr Graham Stuart: The evidence that we need to change the system of accountability is available, both from the National Audit Office and from Durham university, whose team analysed primary schools and the young people attending them over seven or eight years. It found that the readiness for school of young people from the poorest families was not improving, despite all the expenditure by the previous Government. Therefore, moving to payment by results, so that local authorities and children's centre staff are absolutely focused on transforming the life chances of children, is precisely what we need to be doing, and I think the hon. Gentleman should think again.

Steve Rotheram: What a bizarre argument. Saying that an area such as Liverpool, which is among the most deprived, is having its money reduced and that that will somehow result in improved services to the groups that the hon. Gentleman is talking about is bizarre. As we have heard, almost a year ago the Children, Schools and Families Committee, as the Select Committee was known then, published a progress report on Sure Start children's centres, having conducted a lengthy inquiry involving dozens of expert witnesses and practitioners—apparently, Jamie Oliver was the only one to turn down this fantastic opportunity. The Committee's analysis was rigorous and measured, and it was firmly rooted in common sense and fairness. Three of its recommendations are worth highlighting again today.

First, the Committee warned that any reduction of funding

> "would undermine the programme to an unacceptable degree and jeopardise the long-term gains from early intervention… we would not wish authorities to be bequeathed an underfunded statutory duty."

Mr Sheerman: May I help my hon. Friend, because he has just taken an intervention from the Chairman of the current Select Committee? I have read the Government's response to our original response and it states:

> "We are aware that Durham University published a report recently which suggested that Government investment in Sure Start had not delivered improvements in early language and numeracy development. We do not share that view—the 2010 Foundation Stage Profile results showed that the proportion of young children achieving a good level of development had increased by 4 percentage points compared to 2009".

We must therefore balance what the Government actually said against what some people think they said.

Steve Rotheram: My hon. Friend is absolutely right to make that point.

Secondly, the Committee urged the Government to give the programme time to bear fruit, given that even the oldest tranche of centres was only about six years old at that stage. The Committee said:

> "It would be catastrophic if Children's Centres were not afforded long-term policy stability and security of funding while evaluation is ongoing."

Thirdly, the Committee categorically urged against the removal of ring-fencing, saying:

> "We consider that it would be unwise to remove the ring-fence around Children's Centres funding in the short or medium term; putting Centres at the mercy of local vicissitudes would risk radically different models and levels of service developing across the country, with differences out of proportion to the variation in community needs."

Some Tory Members served on that Committee, so this was a cross-party report.

Bill Esterson: I received a letter from the chair of the governors at the St William of York Catholic primary school. They also manage the Thornton children's centre in Crosby and they tell me that they have seen a marked improvement in the school readiness of the children who attend the centre and whose families use it compared with that of those who do not. That kind of evidence is as important as what is in the Select Committee report or elsewhere. It puts the record straight in respect of what the Chairman of the Select Committee said.

Steve Rotheram: Of course evidence, anecdotal or otherwise, is always a useful tool.

The Government's response to the Committee's recommendations was to rush headlong into decisions, to cut funding and to remove the said ring-fencing. In short, the response was to dismiss entirely the logical, considered advice of those best placed to offer it, who included some of their own Members. I know that the Prime Minister is not a man for detail, but you know a policy is truly shambolic when even the Prime Minister fluffs his own case and defence. On 9 February, he arrogantly told the House: "On Sure Start, the budget is going up from £2,212 million to £2,297 million. The budget is going up. That is what is happening," but that was downright wrong. Not only did he confuse the Sure Start budget with the broader early intervention grant in which it is being subsumed, but he used 2012-13 figures. The EIG is being cut this year by 11%—down from £2,482 million to £2,212 million. So the numbers were out, the dates were out and the argument was out. What hope for our children in the face of such cavalier amateurism?

The key to Sure Start programmes lies in the name, but thanks to the coalition's cynically calculated decision to pass a poisoned chalice on to local authorities in the guise of localism, millions of babies and toddlers are now set to miss out on the sure start in life they might otherwise have enjoyed. I truly wonder how the Ministers responsible—fathers all—can sleep soundly at night.

4.1 pm

Mrs Sharon Hodgson (Washington and Sunderland West) (Lab): I thank the Chair of the Education Committee for securing this timely debate. We served together on the Children, Schools and Families Committee in the previous Parliament and he is already making a name for himself. Although I am very grateful to him for securing the debate, I doubt that the Minister will be quite so grateful given the opportunity it has created for colleagues to air their experiences of the impact on the front line of the decisions that she and the Secretary of State have taken about funding and the removal of ring-fencing.

The debate is timely for several reasons, but primarily because many local authorities are taking decisions that they do not particularly want to take on the future of children's centres. That is especially true of Liverpool. Contrary to some of the disgraceful comments that have been made in the past week and even in this debate, those decisions are not politically motivated. Liverpool is having to take them because of the terrible settlement it has received, which is one of the worst in the country even though it is the most deprived local authority in the country.

The debate is also timely because it fortuitously follows a seminar on Sure Start that was hosted in Parliament this morning by my right hon. Friend the Member for Leigh (Andy Burnham), as well as the 4Children conference at which the Minister of State and my right hon. Friend the Member for Birkenhead (Mr Field), who is not in his place, also spoke. I understand that she thanked them this morning for their constructive criticism, so I hope that she will take my remarks in the same spirit.

If the Minister had been able to come to the seminar, I am sure she would have found it very useful. We heard from a number of parents and others involved in children's centres about what services mean to them and their communities and about the impact that budget cuts could have and are having. We heard from everyone, including some of the Minister's colleagues, whom we were pleased came along. We heard, as we have heard in this debate, about the difference that good children's centres can make to the lives of children and parents. We heard from Willie Wilson, whose children attend the Pen Green centre in Corby. He told us how being involved in its Sunday dads group had helped him to overcome his mental health issues and how much his children enjoyed using the centre. He said:

> "Everything good in my life in the last five years has been down to Pen Green Children's Centre".

Those sentiments were echoed by a young mum who told us how her local centre had helped her and others to get over post-natal depression. Pen Green is facing big cuts to its funding and might have to cut services. I understand that the Minister's colleague, the hon. Member for Corby (Ms Bagshawe), has said that that will happen over her dead body. I do not know whether the Minister just caught that but I think the Secretary of State did and I hope that they will talk to the hon. Lady about that, as such comments are not necessary.

The panel at the seminar agreed with something that the Minister will have heard at her engagement this morning: the ring fence to Sure Start funding is key to the stability of the service on the front line. It also agreed that it is no good keeping centres open if they are not providing a good quality service.

We learn, as we have today from Hammersmith and Fulham, the Prime Minister's favourite council, that centres that are apparently being kept open will have to survive on a budget of £19,000 a year. No doubt the Minister will agree that that will not go far. It is hardly enough to pay for a caretaker, let alone the running costs and a work force. If we want good results from centres, they need the funding and the stability of funding to employ qualified staff and provide quality services. Cuts and the removal of ring-fencing will not help.

The Minister has been conspicuous by her absence from the past two meetings of the all-party Sure Start group, although we were pleased that the Under-Secretary of State for Education, the hon. Member for East Worthing and Shoreham (Tim Loughton) was present. The hon. Lady recently got round to replying to a letter sent from the group in December, to which I referred earlier. Given the Minister's absence from the meeting as she was ill, I was surprised to receive, during the meeting, a Google alert informing me that she had published a local media release that very afternoon criticising her local Labour council in Brent for closing or downgrading

"10 out of 20 children's centres".

Apart from that not being strictly true—I have checked—I thought it was a bit rich that the hon. Lady should be criticising her local council, which is having to deal with a real-terms cut to its budget for early intervention of almost £10 million over three years, or 18%, according to figures that I have from the Library. That is a cut that she handed to the council, and a decision that she made. She even had the sense of humour in that press release to portray that as a rather good deal. I doubt whether many of her constituents will see it that way, even if Brent council manages to protect the majority of front-line services.

We keep hearing the refrain that there is enough money in the early intervention grant to maintain the children's centre network. We heard it from the Prime Minister earlier, and a couple of weeks ago he even said that funding for that grant is going up. Both those statements are misleading to the public. The early intervention grant might be increasing by a small amount between 2011-12 and 2012-13, but from the baseline—the budget that councils originally had for services that will now be provided by that fund—there is a significant cut. The EIG covers more than 20 other funding streams, as well as children's centres, and according to the Department's publications it is being cut by a total of almost £1.4 billion over three years in cash terms. In real terms, Commons Library research shows that that will be more like 18%, with the worst-hit areas seeing cumulative cuts of more than 22%.

Funding for children's centres is not ring-fenced within the early intervention grant, which itself is not ring-fenced from the rest of the local authority's budget, so there is nothing to stop that money being used to fund things entirely separate from what it is supposed to be for. There is therefore no way in which the Minister can realistically tell us today that she is protecting Sure Start. She will call it localism, no doubt, but I call it naiveté in the extreme. Why be a Minister if all she can do is cross her fingers and hope for the best?

I am sure that very few local authorities want to cut budgets for children's centres or other early intervention schemes, but given the scale of the cuts to their budgets across the board, many of them will have no choice. If not children's centres, do they cut breaks for disabled children, programmes to combat teen pregnancy, family intervention or targeted mental health in schools, all of which save money in the long term, which is the purpose of early intervention projects? We all know the old adage about a stitch in time saving nine. In short, cutting early intervention funding is ill thought out and will create long-term problems for the sake of short-term savings.

Mr Graham Stuart: I am grateful to the hon. Lady, all the more so after her kind words. It is early days and, as I said in my remarks, I hope we do not see the dismantling of a service that is still embryonic. It is not about buildings or budgets, but about outcomes. How does she think we can best ensure that it delivers the outcomes we want? Would she support a movement to payment by results, for instance?

Mrs Hodgson: I would support a return to the ring fence, if not for the whole early intervention grant, then specifically for the Sure Start element within it. *[Interruption.]* The hon. Gentleman wanted my opinion and I have given it. The proposals are also contrary to the considered views of the Select Committee, which he now chairs, of my right hon. Friend the Member for Birkenhead and of my hon. Friend the Member for Nottingham North (Mr Allen).

The Minister of State seems to be continually distracted and keeps missing important points I am making. She has already had to ask the Secretary of State about my comment on the hon. Member for Corby, and I would not like her to miss anything else I say.

As I said, my right hon. Friend the Member for Birkenhead and my hon. Friend the Member for Nottingham North, whose opinions the Minister actively sought, have both championed the prioritisation of early intervention schemes such as children's centres.

Michael Gove: The hon. Lady says that she would ring-fence funding for Sure Start but has not made it clear that she would increase the early intervention grant. The right hon. Member for Morley and Outwood (Ed Balls) has recently proposed a tax cut by not going ahead with the VAT increase on fuel. If she would ring-fence Sure Start and cut taxes on fuel at the same time, where would the money come from to support the other important services that she was generous enough to list earlier?

Mrs Hodgson: As I am sure the Secretary of State is aware, I am not shadow Chancellor; my right hon. Friend the Member for Morley and Outwood (Ed Balls) is. I will not be tempted to go outside my remit—*[Interruption.]* All I have said is that I would ring-fence

[Mrs Hodgson]

the Sure Start element within the early intervention budget, as the leader of the Opposition said today. We have heard the Secretary of State say so many times that he has given councils enough money to maintain their current network of children's centres—that comes from a direct quote—so if they have enough money within the early intervention grant, why should we be afraid to ring-fence the Sure Start element in it? It is not a spending commitment.

Michael Gove: The hon. Lady was kind enough to mention earlier that by her own calculation ring-fencing Sure Start within the current early intervention grant envelope would mean that other services would have to go. How will she protect those other services? Will she raise taxes, cut spending elsewhere or, as she said earlier, simply cross her fingers and hope for the best?

Mrs Hodgson: It is Ministers who are crossing their fingers and hoping for the best, not me. By making that comment, the Secretary of State has admitted that the early intervention grant is not big enough for the sum of its parts and that all 22 funding streams that feed into it cannot all be met. He has made that admission on the Floor of the House, and I am sure that Opposition colleagues are grateful for it.

Bill Esterson: Surely the point is more about what the Government should be advising local councils to do. Will the Government now come clean and give guidance to local councils on which services they should protect in the early intervention grant and the other restricted Government grants that go to local government, or will they continue to say that it is nothing to do with them and down to local councils?

Mrs Hodgson: That is a key point, and I am sure that the Minister will refer to it in her closing remarks.

The Minister has said on several occasions that she wants children's centres to be paid by results. That does not necessarily seem a bad thing, until it is considered that, nine times out of 10, improving results will need up-front funds, or at least guaranteed budgets. I completely accept that we need to ensure the best value for taxpayers' money and that outcomes are what matter, but if payment by results means holding significant chunks of money back from budgets, centres will have to concentrate more on managing their funding, which detracts from the quality of service they can provide with reduced funds.

I hope that the Minister will be able to tell us something about payment by results. In the letter to the hon. Member for Mid Dorset and North Poole (Annette Brooke), which I referred to earlier, the Minister said that she would do so in early 2011. Now, when I look at a calendar, I see that it is definitely early 2011. It is actually March 2011, so I look forward to hearing about payment by results.

The Minister will no doubt tell us that that funding is targeted at those who need it most, but Library research shows the opposite. The brunt of the cuts to the early intervention grants seem to be borne by local authorities with the greatest number of children living in poverty, as my hon. Friend the Member for Liverpool, Walton (Steve Rotheram) just said with regard to Liverpool city council. Local authorities such as Knowsley, Sefton, Wirral and Sunderland, which covers my constituency, are all in the top 10 for cumulative cuts, while authorities such as Cambridgeshire, Richmond upon Thames and Hampshire—all sounding leafy and suburban—are among those that come off best. Can the Minister explain the difference between her words and actions?

There is so much more that I would like to say, but I want to hear from the Minister. To echo the former chief executive of the Daycare Trust, in speaking to the Select Committee, Sure Start

"has been not just a step in the right direction but thousands of steps".

Every closure, every child whose provision deteriorates, every parent who misses out on the help to improve their parenting, and every early years professional forced to abandon the sector because the jobs have disappeared represents another step backwards from the creation of a society in which every child has the best possible start in life.

I should like to believe that the Minister and her colleagues think the same, but in so many other areas the warm words that we heard before the election, from the Prime Minister, the Deputy Prime Minister and others, and since have not matched the actions of this Tory-led Government. Promises to protect Sure Start have been broken—plain and simple broken promises. Cash-starved councils are being forced to make unpalatable decisions that look set to deprive many thousands of families of the services that they value highly and, in many cases, rely upon, because of a decision that the Minister and her colleagues have made.

The Lord Commissioner of Her Majesty's Treasury (James Duddridge): Two minutes over.

Mrs Hodgson: I did give way a number of times to Government Front Benchers.

Not only that, but many areas with the greatest need are seeing the biggest cuts. The rhetoric does not match the reality, so the Minister needs to make a decision: she should either be honest about her failure to protect children's centres or take action to make good her words.

4.17 pm

The Minister of State, Department for Education (Sarah Teather): I thank my hon. Friend the Member for Beverley and Holderness (Mr Stuart), the whole Select Committee and, indeed, the previous Chair of the Select Committee, the hon. Member for Huddersfield (Mr Sheerman), for the important report that we are debating today, and for giving the House the opportunity to discuss the future of Sure Start children's centres.

The report has been timely and helpful as the Government develop their approach to early years. The debate has on the whole been very good and constructive, with focused speeches about the future direction of policy, but the report demonstrates the extent of the all-party support for children's centres as vital hubs of excellence in delivering integrated services to families, particularly those who most need support and advice. I have listened with interest to Members, and I shall try to address as many issues and concerns as I possibly can, as well as picking up on the key areas of our response to the Select Committee report. I am mindful, however, that I now have very little time left in which to speak.

The start of the debate was particularly important, because the right hon. Member for Birkenhead (Mr Field) reminded us why we are debating the matter. Early years are the foundation for life. High-quality early intervention has the potential to turn around life chances, and poor experiences in early years, such as those to which the hon. Member for South Northamptonshire (Andrea Leadsom) referred, can actually change the physical nature of the brain. The failure to develop relationships of attachment can affect a child for ever, not just in the first few years of life. That is precisely why the Government have prioritised spending in this area, as the hon. Member for West Suffolk (Matthew Hancock) discussed.

I was struck by the comments of the hon. Member for Washington and Sunderland West (Mrs Hodgson) about the importance of Sure Start in providing other support for families, not just for children. Let me be clear about this from the start. The coalition Government see Sure Start as vital to their work on social mobility: it is a key priority. Sure Start has proved itself to be a programme that has the capacity to be life-changing, and we want to build on its success. The Chair of the Select Committee said that he hoped we were not going to rip everything up. That is exactly what we are not doing. We are building on the good aspects of Sure Start, but, as the right hon. Member for Birkenhead said, trying to develop it to ensure that we focus, particularly with more evidence-based programmes, on the families and children who need our support most. We believe that the best way to do this is through greater local decision making and accountability, more involvement of organisations that have proven expertise in service delivery, and, specifically, more use of evidence-based programmes.

Our response to the Committee's report clearly states that, in our view, the main purpose of children's centres is to ensure that families get help when they need it and to tackle issues early to prevent costly problems from emerging later. We want children's centres to provide the foundation for stronger early joined-up working offering universal services for all families and targeted services focused on the neediest of those families.

Several hon. Members spoke about the need for evaluations, so let me pick up on a few of those points. The Government have commissioned an evaluation of Sure Start children's centres in England that runs until 2016 alongside the national evaluation of Sure Start, which is evaluating a wide range of children's centres. A report on the cost-effectiveness of the earlier Sure Start local programmes will be published later this year. I hope that that will be very useful information, for which the Chair of the Select Committee, in particular, asked.

The introduction of payment by results will incentivise better local evaluation of the impact of centres on children's outcomes. In response to the hon. Member for Liverpool, Walton (Steve Rotheram) and the Opposition spokesperson, I point out that when we begin trialling payment by results, some additional money will be going in to help us to do that. We will then learn from those trials to find the most effective way to roll out payment by results in future to ensure that we can incentivise children's outcomes.

Mrs Hodgson: Will the Minister give way?

Sarah Teather: I am afraid that I cannot answer the hon. Lady's question at the moment.

Children's centres are a priority for us, so we have ensured that there is enough money in the system to maintain the network of Sure Start children's centres through the early intervention grant, or EIG. The spending review announced that funding for Sure Start children's centres would be maintained in cash terms, including new investment from the Department of Health for 4,200 health visitors to work alongside outreach and family support workers. I understand that many in the sector are concerned about the removal of ring-fencing. However, this is not about a lack of priority for the sector; on the contrary, it is a recognition of its growing strength and maturity.

The removal of the ring fence is not taking place in a vacuum. Across the piece, this Government are removing ring fences in many areas because we believe that the right way to make decisions is to trust people on the ground to decide how best to prioritise funding. In that way, we get much better decision making.

Mr Graham Stuart: Will the Minister give way?

Bill Esterson *rose—*

Sarah Teather: I give way first to the Chair of the Select Committee and then to the hon. Gentleman.

Mr Stuart: The Minister said that the budget will be protected in cash terms, including the funding from the Department of Health for 4,200 health visitors. Will she spell out precisely what sums are coming from where and when they will be appearing in the budget?

Sarah Teather: I do not want to spell out exactly which bits of the EIG go to what, because I want local authorities to make decisions on the ground about the best ways to do that. As the hon. Gentleman says, the money for health visitors comes from the Department of Health. I will write to him to provide some information about that, because I do not have it here with me. However, I do not want to—

Bill Esterson *rose—*

Sarah Teather: I will give way in a moment; let me answer one point at a time. The hon. Gentleman should not get too excited.

I do not want to spell out the details, particularly because when finances are tight there is an even bigger onus on us to ensure that we provide flexibility for local decision making. I do not think that we will get better decisions if I try to drive all this from Whitehall. We will get better decisions if local authorities can look at their provision and work out how they can best rationalise it based on local need.

Bill Esterson: I say to the Minister that I do get excited about protecting services on which families in my constituency depend. She made the point about local decision making, but there is a difference between making decisions on how to deliver the detail of services and deciding whether to deliver those services. That is the crucial issue in relation to ring-fencing. I call on her again to reconsider the decision on ring-fencing so that councils have to deliver services, even if they can decide how to deliver them.

Sarah Teather: I will not reconsider the decision on ring-fencing because I believe that it is the correct decision. As I was trying to say before I took the interventions, this is not taking place in a vacuum. Payment by results will ensure that we focus much more on outcomes. As the hon. Member for West Suffolk powerfully put it, the problem with ring-fencing is that it focuses on inputs. I do not think that it is inputs that generate outcomes. We have to try to drive behaviour to focus on the outcomes.

Matthew Hancock: Does the Minister accept that in my area of Suffolk the removal of the ring fence has allowed the council to work up much more innovative solutions and to integrate different services? It can provide better solutions by bringing the delivery of services closer together, as the right hon. Member for Birkenhead (Mr Field) said, and get better value for money. I therefore strongly applaud the Minister's decision not to put the ring fence back in place.

Sarah Teather: I absolutely agree. The point is that local authorities ought to have the freedom to decide whether they want to integrate these services with their youth provision. I want them to make better use of what are often fantastic assets, which are not always fully utilised. If we provide flexibility for local authorities, they will have the opportunity to do that.

Mr Sheerman: On a related point, a thread that runs through all the reports of the previous Select Committee is the importance of the professional qualification for early years professionals, and of paying and training those professionals well. There is some unhappiness at the moment because it seems that the early years qualification will be brushed aside. Will the Minister reassure us that that is not the case?

Sarah Teather: I am not sure that I understand the hon. Gentleman's point. We are in the process of co-producing a policy statement with the Department of Health and the sector on the vision for early years and on how we will drive forward a number of changes. In particular, it will deal with quality, which I spoke about this morning at the 4Children conference. The questions include whether the existing qualifications are fit for purpose, whether we should change them and whether we should ensure that there is a greater focus on child development. We are considering those matters at the moment and we will publish the policy statement later this year. Quality is key, which is why we have asked the National College for Leadership of Schools and Children's Services to focus on the quality of leadership in children's centres. Children's centres have the potential to drive forward quality, not just in their centre, but in much of the early years provision in their area. They have a great deal of potential.

I only have about four minutes left, which will make it difficult to respond to all the questions that have come up. I want to deal with one point that was raised by Labour Members, and in particular by the hon. Member for Liverpool, Wavertree (Luciana Berger). She made a number of allegations about cuts being made in proportion to need. I simply dispute her point. In fact, we used the previous Government's funding formula to allocate most of the money in the EIG. As she will be aware, the formula

> "is based on the under 5 population, weighted to reflect deprivation (based on Working Tax Credits data), rurality and the Education area cost adjustment.

Also,

> "Some of the EIG has been allocated according to a youth formula. This is based on population numbers, educational attainment at Key Stage 2 and 3 and GCSE, numbers of young people not in education, employment or training…and the Education area cost adjustment."

It simply is not fair to say that we have chosen to target cuts at areas with the greatest need—that is quite offensive. I appreciate that some hon. Members have made speeches today in order to defend councils of their own political colour, which I can understand. I also acknowledge that things are extremely difficult for many councils at the moment. I am not saying that it is easy to run a council, any more than it is easy to run the country at the moment, given the parlous state of our finances.

Many local authorities are making sensible decisions—to cluster Sure Start children's centres and to merge back-office functions, for example. They are looking innovatively at how they can bring services together to make the best use of the assets available. We have heard from a number of hon. Members whose local authorities are managing to prioritise not only children's centre buildings but the services that are being provided in them, to ensure that they always focus on children's outcomes, which is absolutely vital.

The hon. Member for Hammersmith (Mr Slaughter) asked some specific questions about what the Government are doing. I have made it clear to local authorities that this issue is a priority—so much so that they have been complaining that I have placed a moral ring fence around children's centres. We have made it clear in the guidance that local authorities have a duty to consult properly, and we have drawn their attention to the fact that, if they are using an asset for a purpose for which it is not funded, the Department is obliged to consider whether to claw back some of the money involved. I am sure that the hon. Gentleman is using all those arguments in his discussions with his local council.

I was hoping to say a little about the vision for Sure Start children's centres but, unfortunately, everyone else has spoken for so long that I have only about a minute left. Flexibility is key, and targeting the neediest families is an absolute priority for the Government, as is focusing on evidence-based programmes and making use of the reports produced for us by the right hon. Member for Birkenhead and the hon. Member for Nottingham North (Mr Allen). We also want services to be brought together much more effectively, which is why we are working so closely with the Department of Health on our vision for children's centres. I am pleased that we shall have so many more health visitors on track. Many of them will be placed in Sure Start children's centres, and all of them will have strong links with their local centres. That is vital. Evidence shows that if health services are closely involved, the neediest families can be reached.

I was hoping to go on to speak about mutuals and the voluntary sector, but it is now 4.32, and I have to sit down. If hon. Members would like to hear more from me in future, they might want to restrain their speeches just a little. This has been an extremely useful debate, however, and I want to thank all hon. Members for their contributions.

Question deferred (Standing Order No. 54(4).

HM Revenue and Customs

[Relevant documents: The uncorrected oral evidence taken by the Treasury Sub-committee on 19 January, HC 731-i, and 8 February, HC 731-ii; the oral evidence taken by the Treasury Committee on 15 September 2010, HC 479; the Seventh Report from the Treasury Committee, Session 2009-10, Administration and Expenditure of the Chancellor's Departments, 2008-09, HC 156, and the Government response, Cm 7917; and the Eighth Report from the Treasury Committee, Session 2006-07, The Efficiency Programme in the Chancellor's Departments, HC 483, and the Government response, First Special Report from the Treasury Committee, Session 2007-08, HC 62.]

Motion made, and Question proposed,

That, for the year ending with 31 March 2011, for expenditure by HM Revenue and Customs—

(1) further resources, not exceeding £303,044,000, be authorised for use as set out in Spring Supplementary Estimates 2010-11, HC 790,

(2) a further sum, not exceeding £547,861,000, be granted to Her Majesty out of the Consolidated Fund to meet the costs as so set out, and

(3) limits as so set out be set on appropriations in aid.—*(James Duddridge.)*

4.33 pm

Mr Andrew Tyrie (Chichester) (Con): I am glad that the request of the Select Committee on the Treasury to hold this debate on HMRC's estimates has been accepted. I am conscious that I am speaking on behalf of a large number of colleagues from right across the House, many of whom cannot be here today, who have spoken to me about the problems that their constituents are experiencing with HMRC. I am also speaking on behalf of hundreds of thousands of taxpayers who have encountered difficulties and feel that they have nowhere to turn. I am delighted that the Chairman of the Treasury Sub-Committee, the hon. Member for Leeds East (Mr Mudie), will follow me in the debate. He has done an excellent job in focusing the Sub-Committee on these problems and, in so doing, has built on the work done by the Sub-Committee in the previous Parliament under the chairmanship of my hon. Friend the Member for Sevenoaks (Michael Fallon). I should like to take this opportunity to thank my hon. Friend for his hard work.

> "Ten years ago the Inland Revenue had the reputation of being one of the best run Departments in Whitehall. Today HMRC's reputation is in tatters as one disaster has followed another."

Those are not my words but the considered conclusions of the Chartered Institute of Taxation in written evidence to the Treasury Committee. I have a stack of similar evidence from other qualified bodies and people, and they are all variations on the same theme—HMRC is close to being a failing institution in some areas.

Andrea Leadsom (South Northamptonshire) (Con): Does my hon. Friend agree that the Treasury Committee has heard much evidence from representatives of businesses who say that dealing with HMRC is now costing enterprises significantly more of their profit and income? Matters that used to take a few hours now seem to take literally months to resolve.

Mr Tyrie: I agree completely, and the next sentence of what I intended to say was to be along the lines of asking what the situation means for small business men. They are not experts in tax, they just want to get on with their job. We must constantly bear in mind the fact that when HMRC gets things wrong, its mistake can be a catastrophe for the taxpayer on the other end of the experience.

I want to tell the story of one such business man who has written to me, who wants to remain anonymous. His business was the subject of an HMRC investigation, and when it found no irregularities, it started an investigation into his personal tax affairs. As he says in his letter to me, "They investigated everything", even challenging a gift of £15 to a nephew. He had the impression that the local tax office felt it had to find something, having invested so much time in his case. All that went on for five years—it was like being on trial for five years. Finally, a very senior manager at HMRC saw sense and transferred the case to another tax office, and a week later that small business man had an apology.

However, like so many similar cases, it is not a matter of "all's well that ends well". The collateral damage has been huge. That business man's accountant estimates that his business has lost £7 million in the time and effort of handling the case, and on top of that the stress involved in such an experience would have been crippling for many people. It is not just that individual who has lost out but all those who depend on his business for their livelihood and all those who might have had jobs in it had it been able to concentrate on expansion rather than fending off HMRC. One case does not prove anything, but the sheer scale of complaints now pouring into MPs' postbags suggests something.

Mr Ian Liddell-Grainger (Bridgwater and West Somerset) (Con): Is my hon. Friend aware that HMRC is going to write off all open cases from 2007-08, which equate to just under £1 billion? It wants to sort out the overpayments, which of course affect the person whom he mentioned. The problem is that, under the four-year rule it is not sure how it can do so. Can he help me on that point?

Mr Tyrie: My hon. Friend makes a point that I was intending to make, and he makes it very fully. Because I want to give other people the opportunity to speak, I will not elaborate on it.

I wish to say a further word about HMRC as an institution. It has a very difficult job. Nobody likes the taxman, and it is easy to kick HMRC. I have no doubt that most people there are struggling to protect the revenue fairly and trying hard to do a reasonable job. Doing that job requires a strong sense of collegiality and loyalty to the ethic of the institution. When I was an adviser in the Treasury in the '80s, I had a lot of contact with people in both the Inland Revenue and Customs and Excise, and I thought that they were the salt of the earth. They were immensely dedicated to their jobs and civil servants of the best sort. One had no doubt that they were a highly motivated group of people, or that morale was high.

What about now? The Cabinet Secretary runs an annual staff survey, which has been going on for many years. It shows that HMRC has the lowest morale of any Government Department. Some 25% of staff want to leave as soon as possible or within a year, and only 15% believe that the department motivates them to do their best. Only 12% say that the department is well managed, and the survey goes on with a similar litany.

[Mr Tyrie]

There is some good news, which relates to what I said a moment ago. The job content is still considered interesting by three quarters of staff, and more than three quarters say that they can rely on their colleagues. There is still some collegiality. Even that will not last unless we start to put right what has gone wrong. HMRC will become dysfunctional unless action is taken to bring to an end the string of disasters that has befallen it.

Let me give some examples. Last September, the Government were forced to announce that up to 6 million taxpayers were to receive letters informing them that they had paid the wrong amount of tax through PAYE. That had been caused largely by the introduction of a new computer system, which was simply not up and running in time, and it provoked a powerful Public Accounts Committee report, which detailed the failures. There was the matter of the incorrect PAYE notices in January 2010. That provoked even more critical treatment in the PAC report. Then there are the phone call response times—try ringing HMRC. The National Audit Office found that in 2008-09 only 57% of call attempts were answered. That disastrous performance declined even further for a time, before recovering recently. I could give other examples.

What is the root cause of the problems? Some clues probably come from that survey of staff morale. It shows that the collapse of morale appears to have coincided with the merger. I know that the survey on morale began in that form only at the time of the merger, but it charts a decline from then. I believe that the merger was probably a mistake, and I said, from the Front Bench at the time, that merging two institutions with such different cultures was unlikely to be worth the candle. However, now that the merger has occurred, I am equally clear that unscrambling it would also be risky.

In any case, the department is reorganising itself. It is moving from a regional structure, with customer contact based on local offices, to a centralised model. We have heard that before. The experience of the banks with that centralised model, whereby they got rid of Captain Mainwaring, was distinctly mixed. However, the die is cast on the move to a centralised model and, in HMRC's case, the performance of the new centralised model is not entirely disastrous. Its figures suggest that overall customer satisfaction was 73% in September 2010.

The key question must be whether that reorganisation can be completed while cutting so many more staff. The hon. Member for Leeds East will consider that issue. I hope that it will be completed, but it would be the triumph of hope over experience, if we consider the history of other Whitehall Departments and their reorganisations.

Of course, the large firms with which HMRC engages will not feel the effects of the reorganisation. They will continue to receive a good service. They provide most of the tax yield, and I understand why HMRC devotes so many resources to focusing on them. However, I worry greatly about the small firms—those least able to absorb the turbulence whenever HMRC reorganises itself. I worry particularly that, while HMRC may make savings, it will merely shift the burden of administration to taxpayers and their accountants in small businesses. The effect on the whole economy will not be neutral. It is not a matter of £1 spent in HMRC transferred to the private sector—it may be worse than that, eroding overall business efficiency and bringing downward pressure on GDP.

In a recent evidence session, I asked the Institute of Directors and the main bodies representing the accountants to start to estimate a full compliance cost for firms that deal with HMRC. It has never been done before and it is not easy work. However, we must have at least some core figures to enable us to monitor over time the full compliance burden placed on firms by HMRC. There is no point—absolutely no point—in creating a leaner HMRC at the price of massive compliance costs in the private sector. My challenge to the institutions that represent the private sector is to find that true cost of compliance. I also want to allude to some challenges for the department and the Government.

First, all the evidence that the Treasury Committee has seen suggests that HMRC needs to communicate better with taxpayers—it must find ways of giving clearer and more accurate answers to reasonable queries, and to give those answers quickly. Secondly, it is vital that staff have the training and experience that they need to work with taxpayers. There is no earthly point in a call-centre culture that is based entirely on read-outs from computer scripts.

Thirdly, we need to consider incentives as well as penalties as a means of encouraging the right amount of tax to be paid. Some argue that HMRC should consider a general disclosure facility to encourage the disclosure of previously undeclared tax. We need to reflect on that. There is a risk with amnesties, which is the road down which that proposal goes, but it needs to be looked at.

Fourthly, we must accept that with PAYE coming under increasing pressure as more people develop a variety of sources of income rather than rely on employment from a single source, further changes to PAYE will inevitably be necessary, as well as the coming introduction of real-time information. Those changes must be made extremely carefully if we are not to have yet another major road crash, such as we have seen in the past few years.

I should like to end by offering one crucial, big challenge to the Government. Much that is wrong with how HMRC operates is not its fault, and nor is it the fault of taxpayers. Rather, it is the fault of us—legislators. Successive Governments have put ever more complex legislation on the statute book. In 2009, a leading legal database found that the UK had the longest tax code in the world. That is a charter for accountants and for evasion opportunities. Length means more complexity, and complexity means higher costs for all of us. In evidence to the Treasury Committee, the IOD told us that KPMG estimated the total cost to the UK economy of running the tax system at 0.4% of GDP. I wager that that is an underestimation, as I alluded to a moment ago.

My challenge to the Government is that we must have tax reform. I was struck by a point made in a discussion paper in the Mirrlees review on tax administration, which begins:

> "Most of modern tax theory…completely ignores administration and enforcement. The policy formation process is not much better, too often addressing implementation only after reform has been determined".

Of course, administration should be an integral part of the decision-making process, but in recent years, tax policy formulation has been travelling in the opposite direction. The 2004 O'Donnell report resulted in most decisions on tax policy being taken in the Treasury, with implementation done by HMRC. It is widely held that the policy-making function in HMRC has gradually been downgraded, but we must reverse that. I urge the Government to return to a situation in which there is much greater creative tension between HMRC and the Treasury on policy formulation. If we do not do so, there will be more episodes in which the implementation of policy—delivery—mysteriously turns out to have an unexpectedly high cost or to be unacceptably complex.

In that respect, I very much welcome the creation of the Office of Tax Simplification. However, that will not be enough. We must have better policy and a simpler tax system that gives greater certainty and stability. I hope that the forthcoming Budget will point the way on that. Business and the self-employed in particular are crying out for such measures. We need a series of tax-reforming and simplifying Budgets. In the long run, everyone will gain: HMRC will have a better system to manage, taxpayers will have something that they can understand and the UK economy will have a tax system that creates opportunities for better long-run performance.

The tax system loses the respect of taxpayers, however grudging, when it becomes as complex as the one that it looks as if we are developing. Once we have arrived at that point, the country has a big problem. We will be on the slippery slope towards wide-scale evasion and an erosion of the tax base. I will not name the EU countries that are on that slippery slope, but there are quite a number, and we all know which they are. It is partly with that in mind that the Treasury Committee has launched an inquiry into the principles of tax policy that are needed for such reform. We will be reporting shortly. If we in the UK get those principles right, many of the problems that we have heard about today will diminish, and a more prosperous economy and stable society can result.

4.50 pm

Mr George Mudie (Leeds East) (Lab): I thank the hon. Member for Chichester (Mr Tyrie) for his kind remarks. When Lord McFall left the Treasury Committee, no one thought its work could be kept at the same level, but I think that it has improved—that is, if one can improve on Lord McFall's performance. As Chairman, the hon. Gentleman has already gained the respect—even the fear, I think—of witnesses appearing before the Committee, which is a good sign. He also serves a useful purpose for me, because when I go on one of my northern, regional rants, he will translate it for the southern gentlemen before us, and I sometimes get an answer.

As expected, the hon. Gentleman has dealt with this issue on a policy level that I could not match. I take a more pragmatic view towards the department, because although there is an argument for having a look at policy—tax definitely needs simplifying—we should not necessarily do things at that level to suit a vehicle that is dysfunctional; rather, we should ensure that the vehicle is functional. At the moment, I fear that the department is in a disappointing state. To give some background, we on the Treasury Committee, and on the Treasury Sub-Committee under the hon. Member for Sevenoaks (Michael Fallon), see HMRC every year, and we have had one or two inquiries over the years. In 2006, the Committee published a report on the efficiency programme. We identified concerns that reductions in the headcount were leading to falling service standards, and we made certain recommendations. We have returned to that issue in our current inquiry—we are halfway through it—into the same subject as this debate, and we have sadly discovered that nothing has been done along those lines. Indeed, in our 2009 review of administration and expenditure in the Chancellor's Department, we noted

"a 7% increase in total recorded customer complaints".

We asked HMRC to square that with its submission that strong progress had been made.

Mr Liddell-Grainger: The latest figure from HMRC is that complaints have gone up by 33% in the last two years, so the hon. Gentleman's figures are a bit light.

Mr Mudie: They probably are, but the report that I am quoting is a couple of years old.

The other thing that we highlighted—the hon. Member for Chichester referred to this—were the dire results for HMRC of a cross-government staff survey. We expressed deep concern about employee engagement at HMRC and its effect on performance, along with the severely low morale, which has been referred to. What that amounts to is this. The problem could be a passing phenomenon, but it is not. It has been consistent for a number of years and it has to be faced up to. What are the reasons for it? We cannot move away from that dismal performance without accepting that severe staff cuts in the department are a major—if not the major—contributory factor. The work force has gone down by 30% since 2005. There might be some excuse in that the merging of two departments—Customs and Excise and the Inland Revenue—provides scope for rationalisation, but not for losing 30% of the staff. There is worry that with the spending review, another £2 billion might be taken out—or £3 billion, with £900 million going back. In addition to seeing those 30,000 jobs, another £2 billion is to be taken out of its resources, and we cannot anticipate a better performance in the years ahead.

Tony Cunningham (Workington) (Lab): I am hearing rumours that some people threatened with redundancy are earning £20,000 to £25,000 a year, yet the work they do saves the Treasury hundreds of thousands of pounds a year. Surely that does not make any sense either?

Mr Mudie: That is a well-accepted fact. To be fair, the £900 million is an acceptance of what my hon. Friend says. Theoretically or on paper, this money is going back to bring in £7 billion-worth of tax that has not been collected for one reason or another. I would like the Minister to deal with the phasing of that £7 billion. As usual with the Treasury, this can be read any way. I know that we culminate with this £7 billion, but what are the targets for the years ahead?

The computer has also contributed to demoralisation in the Department. It is not just the computer, but the man in Whitehall who thinks that the computer is the answer, because pressing a button produces something

[Mr Mudie]

and it does not arrive back. As we have discovered elsewhere in government, that simply does not work under any circumstances. The Revenue saw the computer as an answer to its problems with the budget cuts and thought that the staff could be taken out. They were removed before the computer was up and running, before it became operational and proved to be defective. That is why we had the debacle at Christmas 18 months ago of millions of taxpayers receiving an unexpected and largely unwelcome envelope. I grant that some might have been welcome, but they were mostly unwelcome.

The 30,000 jobs are gone, but I have yet to mention the merger. It was particularly important for staff morale, because at the same time this brilliant Department—I suppose it was the Treasury—brought in McKinsey to do its thinking, and it ended up adopting a French model of "départements". There were 36 such departments inside the organisation, which meant no joining together of the two departments with their great traditions and ethos, and no welding together of the best bits from both. Instead, the departments were broken up—everybody was broken up—and there were no lines of accountability or anything like that. It was a complete shambles. Steps have been taken to put that right, but some of the damage persists, which is another contributory factor. That is what has happened. It is not possible to take out 30,000 people, have a merger or reorganisation, load in additional work and duties and expect it all to work. It is not working; something has to be done about it.

The hon. Member for Chichester touched on the issue of taxpayers. When the new computer came in, as usual somebody in Whitehall said, "It is wonderful to have this computer in London, so we can shut some offices"—and they gaily did so. On paper that meant saving staff, costs and so forth. The trouble is that tax is a very complicated issue. The best of us—I say this because I am among them—simply cannot handle tax and the details relating to it. Two or three years ago I decided that my accountant was too expensive, and took over the job of filling in the forms myself. In the first year, I received £300 back; in the second year I was charged £1,500. Now I am back with my accountant.

The difficulties involved in dealing with tax are a fact of life. The closure of tax offices has been a disaster, along with the cuts in working hours and days. We have reached a stage in public life, at both local authority and national levels, when call centres may seem to be the answer but are really—I suspect—a way of placing a brick wall between the decision-makers and the public. They can be helpful when dealing with ordinary questions, but are often unhelpful when it comes to detailed matters such as tax. That is especially true when they are talking to the elderly and those for whom English is a second language. I am reminded of confused.com: call centres are unhelpful to anyone who is confused.

Guto Bebb (Aberconwy) (Con): The closure of tax offices is an important issue in north Wales. I hate to be parochial, but I represent an area in which about 20% of the working population are self-employed. The need for self-employment is paramount in north Wales, because the economy is so fragile that unless we create our own job opportunities, we cannot work at all. Unfortunately, over the past few years we have seen the downgrading of the Porthmadog, Bangor and Colwyn Bay tax offices. The 20% of the working population who are self-employed must now travel to Wrexham and even over the border to be served, which is a big problem. As the hon. Gentleman has pointed out, when a small business is forced to use an accountant because it is unable to talk to—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We must have short interventions.

Mr Mudie: I am sorry that you stopped the hon. Gentleman, Mr Deputy Speaker, because his was a better speech than mine. I do not think that he needed to use the word "parochial", or even to apologise if he thought that he was being parochial. In fact, he was being regional. Here in London, it is assumed that any region above Watford can be written off. The hon. Gentleman has made an extremely valid point.

I know that my hon. Friend the Member for Cumbernauld, Kilsyth and Kirkintilloch East (Gregg McClymont), who is sitting behind me, is a strong supporter of tax office staff. However, I agree with the Chairman of the Select Committee about the number of telephone calls that are not answered. At one stage, the figure was 43%. One of the professional witnesses who gave evidence to the Committee said that an HMRC tax manager had been in his office and observed that it took 12 minutes for a call to be answered and seven minutes simply to change a tax code. That simple transaction took 20 minutes. That is a witness's statement, and a very good one. I am sure that the Minister has read all the evidence given to the Committee, and has noted that that particular witness described his experiences brilliantly.

Mr Liddell-Grainger: The hon. Gentleman is well aware that the two companies charged with this task by the Government, Capgemini and Accenture, have been at it for a decade. The system that they were asked to use a decade ago is not the system that they use now and is not capable of doing the job, although it is starting to throw up problems that we saw a couple of years ago. Does the hon. Gentleman agree that both companies' contracts should be upgraded to a level that is appropriate to the 21st century?

Mr Mudie: That is an interesting point.

I am using up time rapidly, but let me mention in passing another feature of call centres. Telephoning 0845 numbers can be very expensive for pensioners—indeed, for everyone. The fact that people have to hold on for so long does not help, but in any case it is not the right way to decide complex matters. It is best for people to deal with those face to face. The best people in the whole business are the agents, as they are the professionals. They take the frustration and get angry about it—and they have given good evidence. The ordinary individuals are in the worst position, however. The professionals get used to things and can get on with other tasks, yet, as the professionals said, those who are not represented get the worst deal, and with office closures, cutting hours, and relying increasingly on telephone calls, e-mails and letters, the whole system knocks out a fair number of the population. That is what is happening. Plenty of Members want to speak, and they will spell out their constituents' experiences.

Does the system need to be improved and will it be improved? I do not think it will, first because it goes against the grain—I will explain that. Sadly, every time witnesses from HMRC have appeared before us, they have been in a state of denial. If someone has a problem, there is no chance of their dealing with it unless they own up to it and accept it. I sympathise with them in a way, however. The hon. Member for Chichester said we are to blame and that is true; we are to blame, in particular the Ministers. It is hard for a civil servant to go before a Select Committee and say, "Yeah, I admit it; we can't do this because we don't have the people."

We look for loyalty and a straight bat from civil servants, but the way we are doing things is not generally the best way to get a real dialogue. Therefore, when we have them before us in a couple of weeks, I am not sure that Dame Lesley will do anything other than give us the Geoff Boycott treatment, or even do a Pietersen and knock us out of the ground a couple of times. Because she and the management are in this state of denial, I cannot see things happening unless the Minister takes some steps. I really do think this comes down to staff and resources. Unless they are in place, we cannot load new jobs on.

Finally, let me describe a few points that should push the Minister to want to have a fresh look at resources. One of them is to do with what the Chairman of the Select Committee said about the integrity and reputation of the system, and real tax compliance in this country. If we frustrate and ignore people, and make it difficult for them to get explanations, one way or another, non-compliance will grow. There will be increasing disrespect for the system and the people in it, and a growing feeling that they are not here to help. The tax inspectors and staff are adamant that they are here to help however, and that has always been my experience at that level—when we can get to speak to someone, they are helpful.

If something is not done and we treat people in this way, they will respond in a manner that I think is natural, which is to say, "Get on with it"—I almost said "Sod it"—and "I am not complying."

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We cannot say "Sod it." I am sure the hon. Gentleman will withdraw that.

Mr Mudie: Well, I did withdraw it; I said I will not use the phrase "Sod it."

I have made points about management being in denial and non-compliance. The next point is more current. We live in a time of austerity. It is a hard time and people's wages and homes are being affected, yet the public are reading about Barclays paying £190 million on billions of pounds of profit, and about Vodafone being willing to pay £3 billion or £4 billion and having that available to pay to the Inland Revenue, but the Inland Revenue accepting £1.3 billion. This big multinational company is getting away with paying that amount of tax at a time when we are closing vital public services. We see Mr Green paying his wife through Monaco. In last Sunday's papers, we read about a man with reputed wealth of £47 million being forced by someone he sacked to confess that he pays no tax at all because of the trust his father set up. Such stories are starting to resonate among ordinary people.

The Governor of the Bank of England came before the Treasury Committee yesterday, and at one stage in the evidence session he accepted that the anger we have witnessed in the past couple of years is nothing compared to what might happen when we see the real cuts, which are starting now. Last year, we talked a lot about cuts, but they amounted to only £6 billion. However, in Leeds recently, people invaded the council chamber when the budget was being fixed. There were people outside in wheelchairs whose benefits were being cut. Cuts were made to housing benefit. Students and trade unionists were also there. Some 1,000 jobs there are to go.

I genuinely say to the Government that a dangerous situation is brewing. A very affluent lady in America said, "Tax? That's just for the little people." That belief is starting to take hold in this country, as a lot of evidence shows. We need to get the tax people working properly. The tax gap is reckoned to be between £40 billion and £120 billion. We would not have these cuts if everybody paid their tax in a responsible fashion. That issue needs to be tackled, yet right now thousands of tax staff are being given their cards, when they could be dealing with it.

I want to finish by being helpful to the Minister. Another computer program is wending its way through the Department that has a crucial bearing on the Minister's future. It deals with real-time initiatives and has very strict deadlines. It is for not only the Treasury but the Department for Work and Pensions, and it is a crucial factor in delivering the universal credit. I know that Treasury Ministers are very anxious to get universal credit in. To judge by past performance with computer systems, I wish the Minister luck. However, let me mark his card in this debate: all the signs from the Department are that, unless he gets a real grip and has a serious word with the Chancellor, that deadline will not be met. We are talking about not just one Whitehall Department negotiating a contract, but two, and when you put two Departments together, that leads, I fear, to trouble.

As an old friend of the Minister—we have worked together on the Treasury Committee and on other matters—I would not like that contract to be lost on his watch, and that is the third, and perhaps most compelling reason why he should do something about this problem.

5.14 pm

Ian Swales (Redcar) (LD): I speak as a member of the Public Accounts Committee, which has held a number of hearings with Her Majesty's Revenue and Customs over the past few months. HMRC collects about £440 billion, but its estimate of the tax gap—the amount it thinks it could collect compared with what it actually collects—is £42 billion. Others, notably public sector trade unions, have produced even more ambitious estimates of that gap, putting it as high as £120 billion, although a lot of those numbers are more controversial. To put those figures in context, the entire cost of running HMRC is less than £4 billion.

As we have heard, huge systems changes and headcount reductions have taken place in recent years, and they have led to poor morale. As my hon. Friend the Member for Chichester (Mr Tyrie) said, HMRC came a lamentable 96th out of 96 on staff morale in the previous civil service staff survey. It also came 95th, 95th and

[Ian Swales]

94th on "Leadership and Management of Change", "Understanding My Work" and "Learning and Development" respectively. Those are shocking statistics.

I recently visited an HMRC office close to me to meet groups of staff, and their comments confirmed the survey's findings. Despite being generally low paid and having their job security and pensions under threat, they did not even mention those issues. They talked not only about pride in the service, and their experience and professionalism, but about their frustration at the chaos they could see all around them and, above all, about the "process as seen" mentality. It means that they have mindlessly to process data they know to be wrong. Examples of that can be as simple as not being able to use data from a P60 where they have been omitted from a tax return, which leads to erroneous tax bills or refunds. In the private sector the mantra "Get it right first time" has been around for at least 30 years.

In the same staff survey, damning verdicts were given under almost every heading, as we have heard. Only 13% of staff gave a positive response to the statement, "I feel HMRC as a whole is managed well", and only 12% agreed with the statement, "Overall I have confidence in the decisions made by HMRC's senior managers". Despite those shocking results, the results on other headings still showed that the staff have the appetite and drive to do a good job, so they remain a very good resource for sorting the situation out. It appears that rock-bottom morale and a lack of faith in the management is blighting the department, but that the majority of staff are still interested, engaged and proud of their work.

As has been well reported in the media and in this place, the changes in HMRC have led to chaotic services being provided to clients, and the huge burden of work has led to a higher level of write-offs. For example, just increasing the threshold for claims from £50 to £300 for the past two years has led to the loss of £160 million in revenue. Moreover, each year local caseworkers refer some 4,000 cases of suspected serious evasion to specialised teams for investigation, but the centralised referral system has not been used consistently across the department, despite being mandatory. In 2008-09 just 20% of referrals were taken up by investigation teams, with the rest being returned to the originating officer to pursue.

The department does not analyse the reasons for rejection, which would help to judge the quality of referrals, nor does it know the result of returning those cases to the originating officer. Not only does that lead to caseworkers becoming disillusioned by the low rate at which referrals are taken up, but it has a serious knock-on effect on the tax gap. The average time taken to complete dealing with a case of serious fraud in 2009-10 was 25 months, whereas the internal target is 18 months. Some 75% of cases exceeded that target, and a substantial number took more than three years to deal with. Of course some cases are more complex than others and will take a lot longer to investigate, but it is clear that the department needs to improve the speed and efficiency of investigations in future, to increase the number of cases and bring in more revenue. Inefficiency is clearly causing revenue to be lost.

New structures, such as the penalty regime in force for tax returns relating to the past two years, have been blighted by recurring top-down problems. The new regime was designed to set tougher penalty rates for deliberate errors. It is obviously good practice that such penalties should be recovered promptly, but the department does not routinely monitor whether they have been collected. An analysis revealed that it could not trace payments for 27% of the outstanding tax due on completed civil investigations of fraud. Of the £58 million that could be traced, only 84% had actually been collected. The Treasury is therefore losing tax not only through evasion and legal avoidance but through systematic inefficiency in HMRC. This lends credence to the statistic mentioned earlier that only 13% of staff feel they are managed well. Given that the total cost of HMRC is less than 1% of what it collects, it should not be treated like a normal spending department—judged partly, at the moment, by its ability to slash costs.

Mr David Ruffley (Bury St Edmunds) (Con): Given his experience on the Public Accounts Committee, what is my hon. Friend's view of HMRC's claim that it made £1.1 billion-worth of pure efficiency savings between 2005 and 2009-10 without any negative impact on performance? Is that a credible claim?

Ian Swales: I can express a personal opinion, which relates to what I was just saying: we should not judge efficiency savings at HMRC without reference to the tax that is collected. We cannot judge it simply according to headcount reductions and those sorts of changes.

Mr Liddell-Grainger: Is my hon. Friend aware that 194 million national insurance accounts are not rectifiable even though they are scanned twice a year? HMRC does not even know how much money is in those accounts. Does he think that that is equally a problem, in that the morale has gone because people do not understand what is going on within the system?

Ian Swales: Judging by the evidence that the PAC received, there seems to be a lack of control over the trail of cases. All the changes have resulted in less focus on individual companies and taxpayers. I certainly recognise that sort of story.

There should be a constant watch in HMRC on the business case for investment in it. I welcomed the announcement of £900 million in extra funds to address avoidance, but I remind the House that it is targeted at collecting £7 billion, although the tax gap is £42 billion even according to HMRC's estimates. How have we arrived at the figure of £900 million, and how do we know it is the right amount? As a taxpayer, I would be happy to invest any extra money that could be proved to produce a positive return.

The department has recognised that it has lacked detailed information on the costs and returns of different types of enforcement activity. At present it does not know the costs of, or returns on, civil investigations, or the point at which further investment in a particular type of activity would produce diminishing returns. It is therefore very difficult for it to decide how best to deploy its resources. Its management and senior officials need to show strong leadership and pay close attention to the morale of staff if those problems are to be overcome. The headcount at HMRC should not be reduced further until efficient new systems and ways of working are properly established. The department urgently needs to manage its resources effectively to optimise the tax take. The current system is obviously not working effectively for people either inside or outside HMRC. At a time such as this, when everyone across the country is having to tighten their belt, it is unacceptable that HMRC is failing to collect such a large amount of money through inefficiency and mismanagement. I urge the department and the Government to put this right.

5.23 pm

Gregg McClymont (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): We are discussing the administration of Her Majesty's Revenue and Customs, and I should declare a constituency interest because Cumbernauld HMRC is one of the largest tax offices in the country. It is a strategic site, and the largest employer in my constituency. As this debate shows, HMRC is equally important for the Government, who must collect tax more effectively if they are to be successful in their economic and financial objectives.

I should like to address a few issues regarding HMRC's effectiveness, many of which were touched on in the thoughtful contributions of the hon. Member for Chichester (Mr Tyrie), my hon. Friend the hon. Member for Leeds East (Mr Mudie) and, most recently, the hon. Member for Redcar (Ian Swales). In my view, two things are necessary if HMRC is to be as effective as possible. First, it must be properly resourced, and I endorse the final words of the hon. Member for Redcar about the wisdom of getting HMRC sorted out before moving to a programme of further cost cutting.

Secondly—this relates to observations that have already been made—HMRC must have well-organised and highly motivated staff. I am concerned that that will not be the case in the future, not only because of the cuts that the Government are making in HMRC's budget, but because of how they are being implemented. Together, the cuts and their implementation are having serious effects on the morale of HMRC staff in Cumbernauld and elsewhere. Simply put, HMRC staff know that cuts are being made, but do not know yet where they will fall.

HMRC received a tough settlement in the comprehensive spending review. The settlement mandates overall resource savings of 15% and efficiency savings of 25%. Those cuts were announced in October, as Members in all parts of the House are well aware, but we have yet to receive any confirmation from the Government of how HMRC is to be restructured.

Kelvin Hopkins (Luton North) (Lab): Is it not the case that every additional tax officer collects many times their own salary, and that if we want to collect more revenue and make HMRC a more profitable organisation, we need more staff, not fewer?

Gregg McClymont: My hon. Friend makes a good point. There is a problem of short-term savings at the cost of long-term benefits—what we might call a false economy. I shall come to that.

We have not had any confirmation from the Government of how HMRC is to be restructured. We do not know which services to the public will go, or which services will be changed. We do not know yet which jobs will go. Before Christmas I asked the Treasury Whip about the future of HMRC jobs in Cumbernauld in a Back-Bench debate. The Treasury Whip suggested to me that the Cumbernauld jobs were safe. I understand that as it is a strategic site, its situation is different from that of some of the smaller call centres and the like. I urged the Treasury Whip to share the information that proved this to be the case: it has not yet been forthcoming, for good reason.

Subsequent questions for written answer revealed that the Government cannot give any such undertaking until HMRC publishes its business plan. It is better for HMRC to take its time and get its business plan right than to get it wrong in a rush, but that has consequences. It seems that the business plan will not appear before April. The delay and the mixed messages do not make tax officers' jobs any easier. Clearly, the increased anxiety can damage morale.

We have heard about the situation from the hon. Member for Chichester and others. It is not surprising in those circumstances, and also given the nature of the job, that in a recent survey only 11% of HMRC employees felt that change in the organisation was well managed. HMRC employees in Cumbernauld are now just as uncertain about their future as they were when the programme of cuts was first announced in October. Such uncertainty has an impact on staff morale, and thus on productivity and performance. More fundamentally—this goes to the point raised in an intervention by my hon. Friend the Member for Luton North (Kelvin Hopkins)—I suspect that the cuts to HMRC's budget may well prove to be a false economy. Short-term savings at HMRC could reduce the Government's ability to maximize tax revenue in the long run.

Jim Shannon (Strangford) (DUP): The hon. Gentleman, like many others in the Chamber, was at the presentation to Members of Parliament by HMRC staff last year. At that presentation, HMRC staff indicated that they were aware of revenue that the tax bodies were not collecting. Their message was clear: more staff, more tax revenue; fewer staff, less tax revenue. Does the hon. Gentleman agree that the Government should consider the false "savings" that they will make in this year, against the tax income that they could generate instead?

Gregg McClymont: I thank the hon. Gentleman for that observation. Clearly, this is a complex issue and there will be reasonable arguments on both sides, but it seems to me that it is a job in which morale is particularly important. I intend to refer later to the psychology of being a tax officer, which pertains to his point about raising more revenue.

Mr Andrew Love (Edmonton) (Lab/Co-op): I want to make an observation based on a recent conversation I had with a tax expert. When the Government looked at the overall staffing reductions in HMRC as a consequence of the spending review, it became absolutely clear to all that the gaps in their ability to raise taxes were such that they would need to put something back, and that is the explanation for the £900 million.

Gregg McClymont: I thank my hon. Friend for that information. As a member of the Treasury Committee, he is well known for his interest and expertise in this area. What he said sounds not only plausible, but likely.

I am suggesting that short-term savings in HMRC could reduce the Government's ability to maximise tax revenue in the long run. They reduce the likelihood that

[Gregg McClymont]

HMRC will be able to attract and retain the talent necessary to administer complex systems and crack down on fraud, and the hon. Member for Chichester and my hon. Friend the Member for Leeds East alluded to that aspect of the argument. It seems to me that there is a danger not only that revenue will be lost to the Government, as has been made clear in previous contributions, but that reducing services to the public means that the costs will be passed on to the public and to businesses, particularly small businesses. If HMRC is harder to contact or slower to rectify errors, costs for the public and business will increase. The hon. Member for Chichester eloquently set out the dangers for small businesses of this process of HMRC reform or cutbacks, or whatever we call it. It is clear to me that those costs will disproportionately harm those with the least resources.

Mr Liddell-Grainger: Is the hon. Gentleman aware that the Revenue has just been fined £1.6 million for sloppy data handling and processing? When people asked why that had been a problem, they were told that it was too expensive to find out what the problem was. The hon. Gentleman is right. Is the problem due to a lack of skills, a lack of training or a lack of people? It must be one of the three, or perhaps all three.

Gregg McClymont: The hon. Gentleman makes a good point. My suspicion is that it will be a combination of all three. I will come to the skilling aspect, which it seems to me is important alongside the issue of number. If the costs are passed on to taxpayers, I suggest that they will fall disproportionately on those with the least resources—small businesses and poorer taxpayers.

To allude to a point made by my hon. Friend the Member for Leeds East, pensioners and other vulnerable groups will have to pay to phone 0845 numbers and will struggle to get through. Beyond the financial cost, there is the psychological anxiety caused by respectable working men and women having to worry that the taxman feels that they are not following the law. The psychological burden on vulnerable groups is worth considering alongside the burdens on businesses and other organisations.

I will focus for a moment on small businesses, although I will not take long as the hon. Member for Chichester somewhat shot my fox on this point. It is clearly okay for the big boys in business and the big organisations that can afford the finest tax accountants money can buy, but for small businesses every minute spent on administration, doing a tax return or conversing with HMRC is a minute less spent running their businesses. Usually, small businesses have much less slack to operate with. As the saying goes, "Time is money", and any shifting of the burden back on to the taxpayer is likely to be deleterious in the extreme to small businesses and vulnerable groups.

Several Members have referred to efficiency and effectiveness, and that brings me back to staff morale, because staff motivation is particularly important in such a profession—the efficient and effective collection of taxes on behalf of the taxpayer. Inevitably, many of the savings that the Government wish to make will be made through redundancies and restructuring, but the Government approach that package of restructuring and redundancies in the context of an HMRC where staff motivation and industrial relations are already fairly poor.

The figures from the capability review that the Cabinet Office published in 2009 have been quoted, and, as we know, HMRC was the subject of heavy criticism. The review found that only one quarter of HMRC staff, compared with 61% of senior civil servants, were proud to work for the department. Perhaps senior civil servants are not the best comparator for HMRC staff, but 25% satisfaction is not very impressive. The survey also found that only 11% of staff—the hon. Member for Chichester said 12%; I am prepared to meet him halfway and say 11.5%—and 17% of senior civil servants felt that change was well managed in HMRC.

I worry that the combination of low staff morale, which the Government inherited but are contributing to, and further funding cuts might be a perfect storm that leads to more problems at HMRC. After all, if we think about it for a moment, we find that enforcing the payment of tax is not necessarily an easy job. No one likes paying tax, and HMRC staff—disproportionately, I suspect—deal with people who are particularly unhappy about the tax return with which they have been presented.

Staff in my constituency would have been greatly reassured and better able to serve the public if HMRC and the Government had worked together sooner to develop an implementation plan for cost savings, so anything that could be done to reduce the anxiety that they have felt for a reasonably lengthy period would be very welcome. It would reduce the worrying gap between the announcement of cuts and people's knowledge of where they will fall. Anxiety among staff—particularly given the job that they do—is bound to undermine their effectiveness in serving the taxpayer and the public more widely. Given the importance to our country of effective tax collection, I urge the Government to do everything they can to reduce that anxiety.

My final observation touches on several contributions to the debate. As I have suggested, tax collection is not always an easy or, at times, pleasant job. People do not generally like paying tax, and in a profession such as tax collection, esprit de corps—a sense of public service and duty—is especially important. Previous Governments were not blameless in this respect, but this Government must be careful that, in the quest for short-term savings, they do not further damage the thread of professionalism, duty and pride in the job, without which an efficient tax collection system is unlikely to be possible.

Jesse Norman (Hereford and South Herefordshire) (Con): The hon. Gentleman is absolutely right about the importance of morale at HMRC. As we discovered from testimony to the Treasury Committee, which Members discussed earlier, HMRC has gone from being a flagship Government department to almost dysfunctional on some metrics. One area in which it is dysfunctional is morale. Does he share my view that the nature of the cuts that have been made over the past decade and the very poorly handled merger with Customs and Excise have been most to blame for the crisis of morale at HMRC and the decline in its reputation?

Gregg McClymont: I thank the hon. Gentleman for his observations. I was very interested in what the hon. Member for Chichester said about the merger. I come to that subject with little background knowledge, and I intend to do some reading on it, because at face value it seems to be a plausible reason for some of the problems that HMRC now faces.

Mr Love: Taking on board the point just made by the hon. Member for Hertfordshire, should that not be a further argument that now is not the time to be asking for further reductions in manpower? Because of the difficulties of the merger and the problems that it created, we should be trying to retain the expertise that already exists in HMRC.

Gregg McClymont: My hon. Friend makes a powerful point. If we do indeed have an organisation that is dysfunctional, to use the hon. Gentleman's term, there is clearly a question about whether the way to approach managing such an organisation is to engage in severe cutbacks.

Jesse Norman: I have a simple point of information for the House, which is that my constituency is Hereford and South Herefordshire, not Hertfordshire. Although Hertfordshire is undoubtedly a place of great glories—sadly, with due deference to my hon. Friend the Exchequer Secretary, only very slightly secondary to the qualities of my own constituency—the two should certainly not be confused.

Gregg McClymont: Now that the hon. Gentleman has provided that important point of information, I will conclude with a final observation that pertains to his previous intervention and that of my hon. Friend the Member for Edmonton (Mr Love).

Only with a cadre of well-paid, trained and skilled staff who enjoy a status commensurate with the important job they do will a more effective, efficient and productive HMRC become possible, and those staff have to be the foundation stone as we go forward through this decade. Does the Minister think we have that cadre as things stand?

Mr Ruffley: The return from the autumn survey of civil service staff at HMRC says that 14% think that the organisation inspires them to do their best in the job and 12% that it motivates them to help to achieve its objectives. Can the hon. Gentleman say, from his constituency experience in Cumbernauld, whether any work has been done with the senior management there? It seems on the basis of these figures that there is a problem with motivating and inspiring the work force.

Gregg McClymont: I thank the hon. Gentleman for that intervention. I am not able to give him a definitive answer, but I have met the senior management at Cumbernauld, who struck me as dedicated and professional, and its work force.

We need to take a—I hesitate to use the word "holistic"—panoramic view of the functions of HMRC. One can always make reforms and efficiencies, which, compartmentalised, seem to save money, but in fact, in the broadest possible context, will be a false economy and a short-term saving at the cost of a long-term sense of professionalism. I suspect that someone doing the job of tax collector needs a sense of pride in their job because at times there will be ups and downs during the course of the day.

5.44 pm

Priti Patel (Witham) (Con): I welcome the opportunity to discuss the work of Her Majesty's Revenue and Customs. I pay tribute to the Treasury Committee for its work in scrutinising that organisation and for the many helpful inquiries it undertakes.

I have a particular interest in the administration and effectiveness of HMRC, because it is clear to me and to many residents and businesses in my constituency that it is a failing organisation that all too often treats people and businesses in the most appalling fashion. I have endeavoured to raise these points before in the House, but have had the misfortune to be unsuccessful in the ballot for Adjournment debates. I am pleased that I can now put these matters on the record in the House. I should add that I am immensely grateful to the Exchequer Secretary, who has faced a deluge of correspondence from me regarding the numerous cases in which my constituents have felt harshly treated by HMRC. I thank him for meeting me earlier this year to discuss the numerous complaints and concerns about the administration and processes of HMRC.

We are all aware of the highly publicised issues associated with HMRC, which range from problems with PAYE and tax credits to lost child benefit discs. Many hon. Members have touched on those areas. As constituency MPs, we see at first hand in our surgeries and in the letters we receive the distress and sheer misery that these mistakes and errors cause. I am exasperated by the extent and seriousness of the cases, and by the level of distress among the constituents who have come to me. Such constituents usually come to us in desperation, after experiencing tremendous difficulties in communicating with HMRC and in getting answers from it. They are the human victims of HMRC. I will draw to the House's attention some of the cases that I have come across in my 10-month tenure as a Member of Parliament.

First, my constituent Mr Philip Wright has an ongoing dispute with HMRC that dates back to 1999, in the days of the Inland Revenue. It relates to employment and tax status in the construction industry—a notoriously complex matter. Six years later, in 2005, the case was heard before Colchester general commissioners, who ruled in Mr Wright's favour. Despite that, HMRC refused to let the matter rest and appealed on the grounds that the general commissioners had misdirected themselves. The case has since gone from one tribunal to another, including a sitting two years ago at which neither Mr Wright nor his representative could be present. There have been suggestions of irregularity in the process, and HMRC appears to be making it as difficult as possible for Mr Wright.

It is now 2011 and the case is still ongoing. The cost to HMRC of pursuing the case his spiralled out of control and has gone well above the claim that it has against my constituent. I saw Mr Wright on Saturday in my surgery and the stress of the case has clearly had a devastating impact on his health and emotional well-being. I urge senior HMRC officials who are paying attention to this debate to reflect on this case.

Another distressing case in which HMRC has gone after a local business in a thoroughly disproportionate

[Priti Patel]

way came to my attention just this week. A firm in Witham sent its VAT payments to HMRC two weeks late because there was a delay in it receiving a payment from a customer. Instead of exercising a dose of common sense, HMRC is pursuing the firm for a surcharge of almost £5,500 on a VAT bill of about £36,000. Of course there are rules about paying taxes, but at a time when so many businesses are struggling, it seems thoroughly inflexible of HMRC to target such small businesses, especially when they have paid their taxes in full. I get the impression that officials are waiting like vultures to target their prey when they are at their weakest. The effect on businesses of that approach, as many hon. Members have said, is to put jobs and prosperity at risk. A £5,500 surcharge might seem like small pickings for HMRC, but for most businesses in my constituency, where 80% of the local jobs are in SMEs, such a sum could enable somebody to be employed or a financial investment made in the business. The instruments of government should be helping business and the private sector, not causing such unnecessary burdens and distress. I have written to HMRC this week about these cases, and I hope that, among the 70,000 people it employs, there are enough who will have enough common sense to do the right thing.

I have come across other cases in which businesses have suffered at the hands of HMRC. One business that was applying for VAT exemption encountered nothing but excessive delays. Another case, which landed on my desk in June last year, alarms me no end. A local business received what I would describe as a generic letter from HMRC on 1 June, stating that the business was £64,000 in arrears. The letter stated that that sum had to be repaid by 14 June, even though it arrived only on 1 June. That is a significant sum of money. During that 14-day window, my constituent made a number of attempts to contact HMRC about the issue, but no one would return any calls. It was not until I intervened that HMRC finally replied. Its inability to return calls, its automated actions and its generic letters cannot be justified. It would be a shock to anyone's system to receive a notification of that nature.

Mr Love: I want to take up the point made by the hon. Member for Chichester (Mr Tyrie) about the shift in compliance costs from HMRC not only to small businesses but to individuals and large businesses. As that shift is already catalogued as having happened in recent years, does the hon. Lady think that the implications of the comprehensive spending review are that small businesses will have to meet even greater compliance costs in future?

Priti Patel: I do not, actually. Many other measures came out of the comprehensive spending review and last year's Budget that will help small businesses to further their interests and, we hope, grow their businesses as well.

I come from a small business background—my parents have a small business—and I am stunned by the attitude and the bureaucracy associated with HMRC. Its lack of accountability is also deeply disturbing for all our constituents. I have had constituents in my surgery who have been reduced to tears when describing their own personal experiences and the distress that HMRC has caused them. In one case, a couple who had separated were having endless complications with their tax credit awards, and the wife was receiving demands from HMRC for the repayment of overpaid credits. In another, problems were caused by HMRC's delay in processing the correct levels of tax credit for a constituent because—surprise, surprise!—HMRC had made mistakes with the information that it held on her, and my constituent subsequently had to supply it with a great deal of additional paperwork and ID. That involved a lengthy and inconvenient process.

I should like to draw the House's attention to another tax credit case. It concerns a couple who received overpayments as a result of HMRC's mistakes. HMRC even gave my constituents a reward of £35 in recognition of that. However, the errors mean that that family are now being pursued for a range of repayments and are undergoing another lengthy and bureaucratic process, even though they have done nothing wrong. Make no mistake, HMRC is effectively still persecuting them and treating them like criminals.

In all those cases, and many others, my constituents have endeavoured to do the right thing, and there has been no evidence of any attempt to avoid paying taxes or to mislead HMRC. However, due to an overly complicated tax system and what seems to be endemic incompetence at HMRC, my constituents, and, as we have heard today, many others, have suffered. My constituents feel that HMRC, with the full force of the state behind it, is effectively bullying them and persecuting the disadvantaged, the weak and the powerless, and that it fails to realise the worry, stress, anxiety and misery that its errors cause the businesses and individuals who are threatened. Those unreasonable actions defy common sense and undermine how HMRC operates and the tax system.

Charlie Elphicke (Dover) (Con): When my hon. Friend takes up cases with HMRC, does she find that they are suddenly sorted out extraordinarily quickly?

Priti Patel: I wish that the answer was yes, but unfortunately it is no. As with all large organisations, I am staggered by how long it takes to get a response. I am the one chasing up cases on behalf of constituents months after a complaint has been made.

That brings me on to accountability. Despite the fact that I have taken up every single constituency case directly with HMRC's chief executive, she has yet to respond personally on any case I have written to her about. It seems that there is a lack of transparency in HMRC. I should also point out that it has an organogram that reaches about 45 pages, which tells me that it is a substantial bureaucracy, but there seems to be no manager for common sense in the organisation. I urge it to start seeing common sense.

In my view, that bureaucracy adds weight to my constituents' impression that HMRC is an unwieldy, unaccountable organisation that seems effectively to be a law unto itself and never to take responsibility for its errors. I have concluded that that is its practice because it does not feel it has to do so. All too often, officials seem to hide behind complex rules and leave businesses and families having to pursue lengthy appeal processes, whether through the adjudicator, the tribunal, the ombudsman or the courts. Clearly, that puts those who feel that they have suffered an injustice at a significant disadvantage. In many cases, people do not want to go through a lengthy and perhaps costly process to seek a resolution. When they do pursue a matter, those who are unable to seek legal help are left to pitch up with their own amateur efforts against the professional force that is HMRC's bureaucracy.

I make those criticisms and comments not to attack or damage HMRC but because I want it to make drastic improvements in the service it provides to the British taxpayer. I draw my remarks to a conclusion by congratulating the Treasury Committee on its ongoing and important investigations into HMRC. I praise the Exchequer Secretary for the attention he has given my constituents' cases, and I wish him luck and all the best in the challenge ahead of him.

5.58 pm

John McDonnell (Hayes and Harlington) (Lab): I congratulate the hon. Member for Witham (Priti Patel) on her creativity in using an estimates debate to get so many constituency cases addressed. Following her critique of HMRC, I say to her that the buck stops here in Parliament.

I am not a member of the honourable fellowship of the Public Accounts Committee or the Treasury Committee. I was a member of a Select Committee back in 1997, I believe, when the Labour Whips, in a fleeting moment of jocularity, put me on the Deregulation Committee. I sought to change it to the Reregulation Committee, and we parted company soon after. I believe that my hon. Friend the Member for Leeds East (Mr Mudie) was in the Whips Office at that time, but I do not bear grudges.

I attended the debate on the legislation that founded HMRC. The House was relatively empty, and I believe that I was one of the few Members who tabled amendments on Report. At that time, a number of us were concerned about whether the merger was appropriate. We were also concerned about a trend that started immediately when the merger happened, when 3,000 job cuts were announced. Soon after that, 12,000 more were announced. I do not know of any organisation—public or private—that could have survived the treatment that HMRC received in recent years, including recent months.

When the merger happened, there were 104,000 staff. Since then, there have been 30,000 job cuts. We are now down to 75,000 staff. The £2 billion cuts as part of the comprehensive spending review amount to another 11,500 job cuts. I appreciate that the Government have put back £917 million to tackle tax evasion and avoidance, but cutting £2 billion and putting £900 million back seems like a ricochet policy rather than a planned approach to reform, as many Members have suggested.

I want to follow on from the points that the hon. Member for Chichester (Mr Tyrie) made. I chair the parliamentary PCS trade union group, an informal group of Members of all political parties. It enables us to meet the trade unionists who represent HMRC staff—the tax inspectors. Reference has been made to the briefings that have been given in recent months. That has educated us about the role that the staff play and what they have had to endure. It is not just the job cuts; 200 local tax offices have also been cut. We have now been told that there is a radical reduction in the opening hours of the walk-in tax inquiry centres. The point was made that, in some parts of the country, there are no local tax offices and vast gaps. The worst example is Wick in Scotland, where there is nothing in the vicinity and nowhere to transfer the redundant staff to ensure that they are retained in the service.

My hon. Friend the Member for Luton North (Kelvin Hopkins) made the point that for every tax official appointed, £685,000 is gained in tax income that is generated.

Ian Swales: Does the hon. Gentleman agree that a walk-in centre that is open only a couple of days a week and staffed by somebody who knows nothing about tax, and whose main role is to note details or direct people to telephones, is not a good walk-in centre?

John McDonnell: Yes. In recent years and from the time of the initial legislation, there has been almost a Dutch auction between Front Benchers competing to see who could cut more jobs from HMRC. We tried to point that out. My hon. Friend the Member for Leeds East gave a good example of how not to do a tax return. Some people need a face-to-face discussion about their tax affairs and that cannot be done through a call-centre mentality.

Some Members have pointed out that the evidence on call centres is fairly appalling. The pressure on call centres has mounted. Let me give some statistics for the record. Calls were up 20% from 2009-10 to 2010-11. Call attempts were up 100% from 2009-2010 to 2010-11. Engaged and busy tones played were up from seven to 35 minutes. One can see why that tune—"Greensleeves" or whatever it is—pushes some people right over the edge if they have to listen to it for 35 minutes. The current contact directorate performance prediction for 2010-11 is that only 40% to 50% of call attempts will be answered.

Kelvin Hopkins: I agree strongly with my hon. Friend. Together with the cuts in staffing, which have put extra pressure on staff, and de-professionalisation, will my hon. Friend mention the relatively low pay with which many tax office staff have to cope?

John McDonnell: We once prided ourselves on an effective and efficient tax delivery service through tax collection, and the job of tax inspector was one to which people aspired. We have undermined that through the de-professionalisation of the service, the way in which staff are treated and pay.

My hon. Friend the Member for Cumbernauld, Kilsyth and Kirkintilloch East (Gregg McClymont) has direct experience, having met large numbers of his constituents who work in that tax office. The problem is not just the numbers of staff or how some of the services have been downgraded; it is the fact that the redundancy payments of people who are being laid off as a result of the recent cuts are being cut by up to two thirds. In addition, their pensions are now threatened by the change from the retail prices index to the consumer prices index.

Of course, that spells disaster for many people in planning their careers and their futures, so it is no wonder that the statistics on morale are so appalling—and morale is getting worse, not better. Staff were asked whether the changes were usually for the better, but fewer than one in 10 answered yes, meaning that they hold out no hope for the future.

Staff have been treated appallingly by management over a period too. Some Members were in the House when we debated the introduction of the lean system to

[John McDonnell]

HMRC, which was lifted straight from the Toyota car factories. That system produced the first strike in the history of HMRC in Scotland, because of how staff felt they were being treated. Hon. Members have learned that members of staff describe the imposition of the new attendance management system as draconian. One said that HMRC management seems to be

"more interested in finding ways to justify dismissing staff to get the numbers down as this is cheaper than redundancy rather than staff welfare and delivery of good customer service."

The fact that professional staff have those sorts of opinions is an indication that something is wrong.

Staff are also concerned about elements of privatisation, such as the increasing role of private debt collection agencies in pursuing tax debts of under £10,000, and the conduct of private companies that do not have the expertise that HMRC has developed over the years in door-to-door collection. There are real concerns about not only office closures but the disbanding of whole HMRC business streams, which is reducing expertise and damaging service delivery.

Kelvin Hopkins: One feature of privatisation and the call centre culture is that it destroys the public service ethos. As my hon. Friend the Member for Cumbernauld, Kilsyth and Kirkintilloch East (Gregg McClymont) said earlier, the public service ethos is vital in an important job such as tax collection.

John McDonnell: I fully agree, and we have painted a picture this afternoon of the impact of a combination of job reductions, cuts in redundancy pay and the threats of cuts to pensions, which my hon. Friend the Member for Cumbernauld, Kilsyth and Kirkintilloch East described as a perfect storm. The message from those on the front line of tax collection is that HMRC is in a perilous situation. I hope from here on in that those voices will be heard and that we will consider a more systematic approach to HMRC reform.

Hon. Members have been told that access to face-to-face inquiry services has been significantly reduced, which is extremely worrying. Let me put on record what a number of tax inspectors have said about that. They say:

"Those offices that remain open"

after the 200 closures

"are having their enquiry centre opening hours significantly reduced. In some case these offices are due to be opened for only two or three days"—

maximum—

"rather than the five days a week they currently open for."

There is also concern about the disbanding of the complex personal return team in March 2009. Many thousands of the top UK taxpayers no longer have the services of a dedicated case owner and customer relationship manager. Thirty-five thousand taxpayers whose tax affairs were handled by that dedicated team—a highly trained, professional team—are now dealt with in the wider HMRC network. There is a view that the skills are therefore not available or not dedicated in the most effective way to increase tax revenues.

In conclusion, I have heard figures bandied about for how much tax is avoided or evaded, and therefore should be collected. They range from the internal estimate of £46 billion up to £120 billion. A number of us have worked with Richard Murphy and John Christensen of the Tax Justice Network over the past five to eight years to try to highlight the issue. Until recently it was not taken up or reported particularly effectively by the media, so I pay tribute to UK Uncut—a group of individuals who have come together spontaneously, taken information from the tax justice campaign and mobilised direct action, which, whatever Members think of it, has been incredibly effective in raising the issue up the political agenda. As a result of campaigning by the Tax Justice Network, UK Uncut and others, and as people are experiencing the cuts and moving from abstraction to reality in their communities, as my hon. Friend the Member for Leeds East said, they are now asking the question: why are we not collecting this tax? It is due not just to a lack of political will—although there is a tax reform issue that needs to be addressed—but to the way in which we have treated HMRC over the years, undermining its ability to collect those taxes.

Charlie Elphicke: I agree with the hon. Gentleman that everyone should pay their fair share of tax, but I strongly disagree with—indeed, I would condemn—any endorsement in this place of direct action that has the effect of shutting down businesses for a day, at a time when jobs and money are hard enough to come by for people in this country because of the Labour party's recession.

John McDonnell: Jobs would be more protected if companies and rich people paid their taxes. If there is £120 billion out there that should be paid, then it should be paid, and if it takes direct action to force action on that, I support that direct action. Indeed, I have participated in it and will do so in future.

Now that the issue has become so pertinent to our constituents, to the country's financial affairs and to trying to tackle the deficit, my view is that if we continue to hamstring HMRC in the way that it has been since 2005, we will undermine its ability to operate effectively. If we continue with the job cuts experienced in recent years, and with those as a result of the comprehensive spending review, we will destroy that public service ethos, as my hon. Friend the Member for Luton North said, undermining the organisation that we have been so proud of over the past two centuries for its effectiveness in ensuring a fair and just taxation system. I urge the Minister to put in place a consultative process, consulting the unions and the staff on a reform programme for HMRC, so that it can once again do its job effectively.

6.12 pm

Charlie Elphicke (Dover) (Con): This is an important debate, because the evidence shows that businesses and people do better when taxes are simple and certain. Anyone who knows anything about business will know that people in business have to plan. They have to know where they stand and what the tax regime will be. That regime has to be as simple as possible, so that people can understand it and get their heads round it. That is fundamental to the consistency of the rule of law and the framework that enables business to thrive.

It is the same for individuals. I could tell hon. Members about the number of people who come to my surgery who have been stressed out of their minds by demands for £2,000 in tax that they simply do not have. That kind of demand weighs on them, giving them the gravest possible concern and taking over their lives, as they wonder how they will manage to make ends meet. I tend to intervene in those cases, because I can write to Dame Lesley, although I have to say that my experience has not been entirely the same as that of my hon. Friend the Member for Witham (Priti Patel). I have found the Revenue quite helpful in giving people time to pay and helping them to understand that they can do so through their coding notice. Nevertheless, things should not be like that. We have heard time and again that the Revenue did not used to be like that. It is only in recent years that it has gone that way.

It is important that everyone in this country should pay their fair share of taxes, and that includes business. However, we also need to be careful not to make up phoney figures for the tax gap and make wild claims that it is £150 billion a year, when the Revenue itself has said clearly that it is no more than £40 billion.

I take issue with the hon. Member for Hayes and Harlington (John McDonnell), who is still in his place, when he says that it is somehow acceptable to have direct action campaigns against business for the amount of money that it might or might not owe. It is unacceptable to close down a business for a day and deny the people who work on the shop floor—people who are often not well paid—the chance to earn their living and go about their business in their ordinary way in their ordinary lives. It is wrong to do that, and in some cases taking part in such direct action campaigns amounts to a criminal offence, so I urge all Members not to take action that unlawfully impedes business, particularly if it is of a criminal nature.

I am a member not of the Treasury Committee or the Public Accounts Committee, but of the lowly Public Administration Committee, in which we look at paper clips and try to reflect on how administration can be improved. Looking at the careful and thoughtful work done by the Treasury Committee before the election, it is quite clear that the number of customer complaints has risen dramatically. It now stands at 87,179, so I ask where those complaints and problems are. That is how to deal with the issues arising. Call centre issues are important—the fact that we cannot eyeball someone or get our phone calls answered quickly. Complaints about office processing have risen by 38%, while complaints about online services have risen by an astonishing 181%. It is logical to focus on where the complaints arise and where the problems need to be dealt with.

Let me deal with the call centre issues. We know that 43% of phone calls were simply not answered in 2008-09—*[Interruption.]* That is a huge number of calls, as my hon. Friend the Member for Witham interjects from a sedentary position. We also know that 35% were not answered last year. That does not tell us how long it took to answer the calls that were answered. Oral evidence to the Treasury Committee suggested that it could be as long as 12 minutes—an extraordinary situation. One person providing evidence said that if he took 12 minutes to answer his phone calls, he would not be in business for long. There is clearly an issue about the efficiency and quality of call centres that needs to be looked at.

I do not condemn HMRC, as many of its officers and officials have worked very hard, but I do condemn the previous Government for using the expertise of these wretched consultants time and again to answer all their problems, instead of using the expertise that existed within two institutions with long, proud and successful histories.

I hope that the Exchequer Secretary who comes on deck at this moment will realise on the one hand that he is fortunate, as he cannot do any worse than his predecessors, but on the other hand that he faces a challenge and should take care not to sit on deck while the orchestra is playing and the water is flooding in through holes down below. I hope that he will be assiduous in looking at the issues and trying to sort out the administrative, policy and leadership issues in HMRC today—including the matter of political leadership.

I say that because the staff survey suggests that staff feel pretty wretched. We have heard that time and again, and no one seems to think that the HMRC is well managed. No one has much confidence in anyone and no one feels energised to go the extra mile. Most people do not have that much confidence in their line managers, but they have an awful lot more confidence in them than they do in the top leadership of the entire institution. It is pretty clear, then, that we need to focus on providing the political leadership and the organisational and managerial leadership to make HMRC a better place and, above all, to make it feel better about itself.

We also need to sort out the information technology. It is clear from the Treasury Committee report that, under the previous Government, IT was an unmitigated disaster. I have to describe the response from this Government, who had only just come to office, as Panglossian. It was one of the poorest responses that I have ever seen. I do not blame the Minister, because this was back in June when the Government had only just been formed, but I urge him to take much greater control. I hope that he will take the policy side of his Department by the scruff of the neck.

Commenting on the disaster of the call centres, the Government's response was that

> "six of the seven indicators have improved from baseline and therefore exceeds HMT's definition of 'strong progress'."

The Government seemed to suggest that everything was just marvellous. They went on about how wonderful the call centre answering record was, and I do not think that that is acceptable. The Government do not seem to have been in touch with the reality of the situation.

When asked about the disaster of morale, the Government went into management-speak worthy of the former director-general of the BBC. They talked of creating

> "a working environment which motivates and develops our people to give of their best and take pride".

Whenever we hear mission statements of that kind, we have a sinking feeling that the consultants have crept in through the back door and started to charge a lot of money and ruin an organisation. I hope that the emphasis will change, and that the Government will instead say, "We are going to inspire people, and give them back their sense of pride and responsibility at ground-floor level." That will enable those people to make real advances and exercise responsibility at every level, rather than returning to the dreadful tick-box culture that has grown up over the past 10 years.

As for IT, we know that it is a disaster. The Exchequer Secretary had to come to the House in the autumn and

[Charlie Elphicke]

say that it was a disaster. I must say that he was very forthright and honest with the House, and dealt with the situation superbly. The earlier Panglossian response had been:

> "The robustness of HMRC's IT systems continues to improve, however the scale of the operation, and the amount of legacy systems, is such that this is a journey of continuous improvement and not overnight change."

Nick de Bois (Enfield North) (Con): From "ghastly" to "poor".

Charlie Elphicke: Indeed.

I believe that the Exchequer Secretary is a very fine Minister who will, in time, become one of the ablest Ministers to have graced this or any Government. Let me end my speech by urging him to grab this issue by the scruff of the neck. I urge him not to knock the officers of HMRC who work so hard but to inspire them, make them feel better about themselves, and allow them to take charge and do really well—to provide a great call centre service, a great online service, and the great service in general that HMRC used to provide before it was ruined, particularly in the last decade.

6.22 pm

Kelvin Hopkins (Luton North) (Lab): I shall speak very briefly.

I agree with much of what was said by the hon. Member for Dover (Charlie Elphicke). I especially agree with what he said about the need not to demoralise the staff of HMRC any further, but to put the blame where it truly lies—with the Treasury. My experience has led me to believe that the Treasury is the most stupid of all our Departments, and I say that advisedly.

I had my earliest experience of the Treasury and HMRC when I first entered Parliament and visited a local VAT office. There were splendid people there who were doing a good job, but they said, "We have not enough staff to collect all the tax." They said, very modestly, "Every tax inspector collects at least five times his or her salary. What we really need is a few more inspectors." I wrote to the Treasury, as one does, suggesting that because they were collecting more than their own salaries, employing more of them would bring in more revenue. I thought that that was a wonderful idea. The letter that I received from the Treasury, however, was one of the most vacuous, stupid letters that I have ever received from a Government Department. It said, "We are trying to reduce costs by minimising staff." An eight-year-old child would have seen the illogicality of that. Obviously, cutting staff would cut revenue by far more than the salaries that would have been paid to those staff.

I have not changed my mind about the Treasury since then. I would add that managing the economy has not been one of its great successes either. I hope that one day I shall be challenged by the Treasury—by Ministers, or even by senior civil servants—to justify my accusation. That letter read like a thin press release rather than a proper, intelligent letter from a Department.

I subsequently raised the matter with union members. Along with my hon. Friend the Member for Hayes and Harlington (John McDonnell), I am a member of the union support group. They said that inspectors dealing with income tax and corporation tax raise sums that are many times greater than their salaries—five times is just a modest amount for VAT inspectors, and it is much more for other forms of taxation: the Vodafone scandal involved billions of pounds, for example. HMRC cannot collect enough tax simply because it does not have the resources to do so. It has been demoralised and de-professionalised. I have had many private conversations with senior tax officers, so I know what the problems are.

My next point might not be popular with my party colleagues. Against my better judgment, the previous Government arranged for HMRC to hand out benefits as well as collecting taxes. They gave it the job of handing out credits, but in my view benefits should be handed out by a Department specialising in that, namely the Department for Work and Pensions. No other country in Europe has three major Government Departments handing out means-tested benefits— I have checked that. Housing benefit is paid by the Department for Communities and Local Government, tax credits are paid by the Treasury and other benefits are paid through the DWP. Why not have one Department responsible for handling benefits, especially as each is means-tested, they all overlap and the people who receive them and therefore have to deal with these complex, means-tested benefits are often the elderly and people who might not be the most able? These benefits should be handled by sympathetic, professional staff who can deal with all of them in one place. Part of the problem is that the people who currently do this job have been landed with it.

These two tasks are completely incompatible. Taxation is collected on an annual basis; most taxes are paid yearly, and some of us fill in tax returns while for most PAYE, or pay-as-you-earn, is collected automatically. Benefits change throughout the year, however. Those who claim benefits are often people whose circumstances change almost by the week. They might be in and out of work and their pay rates change so they are either entitled to a credit or not. The situation is immensely complex, therefore. It was stupid to hand that responsibility to HMRC, and I opposed the move. I have stated before in the Chamber that we should have one Department responsible for handing out benefits and another responsible for collecting taxation. The two roles are completely incompatible. I stand by that position, and I hope that one day a Government will be more sensible and will start to unify the handing out of benefits in one Department.

I have met many tax staff, both senior tax officers and the basic back-room staff. All of them complain that they are demoralised and overworked, and that there are too few staff. The less senior staff are very poorly paid, too. If we are going to have a good HMRC for the long term, we must re-professionalise it, and provide enough staff and make sure they are properly paid, and we must take away the nonsense of them handing out benefits as well as collecting taxes.

My message is simple, and I hope it goes home and is thought about, even if it is not acted on immediately.

6.28 pm

Jesse Norman (Hereford and South Herefordshire) (Con): I speak in this important debate both as a member of the Treasury Committee and on behalf of my constituents.

We have heard about the prestige of the Revenue historically, and about the effects of the merger with Customs and Excise, and the hon. Member for Luton North (Kelvin Hopkins) just talked about its transformation into a benefits agency, and made a good point on that.

Although there has been a lot of discussion of costs, this problem is not just about cost cutting. It is also about a failed model of public service delivery, which is at least as important. To illustrate that, let me describe the situation we have found in Hereford. The tax office in Hereford was closed a couple of years ago with the loss of 90 skilled jobs, despite local protests, with which I was closely involved. We are talking about a high-quality employer in a county that is not a high-wage part of the country. That was a grievous loss to the local economy, and in my view a rather unnecessary one, as I will argue.

My second point concerns a local company—I will not name it—working in the area of defence, a small enterprise exporting very successfully. That business presented some concerns about the coding of its exports to the Revenue, and was then appalled to have HMRC take up residence, conducting a kind of fishing expedition through its accounts, which resulted in the Revenue demanding a substantial payment for tax allegedly not received. In turn, that involved huge amounts of time being taken on, and attention being paid to, dealing with this complaint against a very small but rather successful business.

These two points illustrate the effect of the transfer of compliance costs, which has been widely noted, from the Revenue to the people and SMEs it deals with. We have had the loss of a local presence through the tax office, and its replacement by a call-centre mentality that is often incompetent and impossible for the public to deal with.

Guto Bebb: On IT systems and call centres, is my hon. Friend aware that the current system is not compliant with HMRC's own Welsh language policy and is also contrary to the Welsh Language Act 1993? As a result, I have constituents who are unable to deal with the tax authorities through the medium of their own language because the offices have been closed, or because the call centre or online service is not available through the medium of Welsh.

Jesse Norman: I was not aware of that and I thank my hon. Friend for his remark. Of course, historically, Welsh speakers on the other side of the border were very welcome to come to Hereford to have these issues solved, but unfortunately that option does not exist now.

The point is that it is not simply an issue of the cost cutting that has taken place over the past 10 years; the whole model of public service delivery has relocated that service away from local people and back to call centres, as we have heard. That has happened under the influence of a mentality bred by the consulting firms. In particular, one picks out McKinsey, which did a substantial piece of work for HMRC some time ago. This, I am afraid, has been the method by which this mistaken conception of public service delivery has been promulgated. Services, instead of being brought closer to people, have been removed from them. A use of technology that could have assisted the ordinary man and woman and small businesses in dealing with their tax affairs has ended up impeding them, and that has been a terrible and costly shame.

I would direct the current management of HMRC to what systems theory calls "failure demand". Failure demand is not the cost of delivering a service, but the cost on the rest of the system when people fail to deliver a service. Failure demand in the Revenue has gone through the roof in the last decade, and the statistic we have heard about the length of time people spend on the telephone dealing with Revenue and Customs is a very precise quantification of this increase in failure demand. Essentially, instead of thinking of the costs on the system as a whole, the Revenue has been pushed into pursuing the lowest unit cost, which has encumbered the whole.

There is a parallel in the manufacturing industry. Historically, General Motors ran a production line and if a substandard car was on it, it would be removed from the line and the line was allowed to continue. The result was that these "lemons", as they were called, built up over time and required a substantial amount of time to fix. However, the system itself never got any better because every time there was a problem, the lemon—the bad car—was removed from the production line. The Toyota approach was entirely different. Every time there was a problem with a car, the entire production line stopped. One can imagine the result: enormous pain for a time, followed by a dramatic improvement in quality and a dramatic fall in costs, because the system was no longer tolerant of failure.

At the moment, for the reasons we have described, HMRC has a system that is massively and very unhappily tolerant of failure. The Government are picking up this mess and will be seeking to make something of it over five years—I hope they will be doing so over 10 years. I encourage them to address not merely the issue of boosting the tax collection rates, but the failed model of public service delivery that underlies the Revenue and so many of our other public services. The Conservative party is committed to improving public services and this is a very good place to start.

Mr Deputy Speaker (Mr Nigel Evans): The wind-ups will begin at 6.40 pm.

6.35 pm

Mark Durkan (Foyle) (SDLP): I am pleased to follow the hon. Member for Hereford and South Herefordshire (Jesse Norman), who made some salient points, reflecting the insight that he has secured as a member of the Treasury Committee. I pay tribute to him and his colleagues on that Committee for the work they have done, which has helped to inform this debate, as have the many representations that we are all making.

I wish to highlight a couple of dimensions relating to HMRC's performance and organisational structure as they particularly affect my constituency and my part of Northern Ireland. Before I do so, I wish to endorse a point made by other hon. Members by saying that I am not making these complaints to target or criticise HMRC staff, who are dealing with huge demands on them. They are trying to cope with a system that has been changed around them, and has been made much more inadequate and much more confusing for them. The system causes stress and anxiety to them, as well as to the many public customers with whom they are dealing.

For staff, the situation has been a bit like driving at night with people coming at them at full beam and as

[Mark Durkan]

soon as they recover from one at full beam, someone else comes along. Changes have been made in the organisational structure, then in the management and then, as the hon. Member for Luton North (Kelvin Hopkins) said, in the staff work load. They have, probably rightly, had to deal with matters such as the minimum wage; child benefit issues have been absorbed on to the tax side, which has meant that issues have arisen for staff in Northern Ireland; and then they have had to deal with the whole issue of tax credits.

I particularly wish to discuss tax credits and the impact on Northern Ireland and, in particular, on my border constituency. Many people live on one side of the border and work on the other. No matter whether they live in the Irish Republic and work in Northern Ireland or vice versa, their circumstances may mean that they have to deal with the tax office for tax credits and, indeed, for child benefit. Under European Union rules, child benefit is paid according to where someone is employed, not according to where they or the child lives—it is a bizarre rule, but it is there and it adds to the complications. Rather than have tax credits in Northern Ireland administered in Northern Ireland, all that administrative work was taken over to England, perhaps for specialisation.

Included in that work were the issues relating to cross-border tax credits. Every case of every cross-border worker is treated as complex and goes to the complex cases unit in Washington. Other hon. Members have mentioned the difficulty of getting in touch with HMRC, but these people, be they in Donegal, Derry or other parts of Northern Ireland, have real difficulty getting in touch. When they manage to do so, or when their accountants or their employers' people get in touch, they are told things such as, "Northern Ireland is not in the EU, so what are you talking to us about?" They are not even being told that Northern Ireland is not in the UK; they are being told that Northern Ireland is not in the EU.

These people also have to deal with the relevant officials of the Irish Republic, and the relevant department there is centralised in Letterkenny, only 20 miles from my house and from a tax office in Derry. Rather than all the liaison taking place between officials who are 20 miles apart and who can meet, the cases are dealt with on a completely remote basis, with an office in Letterkenny in the Irish Republic and an office in Washington in England. Can things be exchanged over the internet? No, they cannot, because data protection rules say that things have to be transmitted in documentary form, and letters get mis-sent. Letters that contain people's details and that are meant to go to the Irish Republic end up going in envelopes that are fit only for UK delivery and so do not get delivered for months. Letters that are going to constituents in Northern Ireland, or to others in the Irish Republic who come to me, end up going completely astray too. There is a simple answer to that—make sure that if cross-border cases are not processed in Northern Ireland, there should at least be a liaison office or front office in Derry, in Northern Ireland, that people can go to where someone deals with their case and they are not left crying and in distress, which is how many people come to me when they have been referred by accountants who will no longer touch tax credit cases involving cross-border workers. Employers are very distressed for their workers as well, but there is a simple answer.

6.40 pm

Mr David Hanson (Delyn) (Lab): I thank right hon. and hon. Members across the Chamber for their contributions to the debate, particularly the Chairman of the Treasury Committee—the hon. Member for Chichester (Mr Tyrie)—and my hon. Friend the Member for Leeds East (Mr Mudie), who chairs the Sub-Committee. I begin by placing on the record the value of the work of Her Majesty's Revenue and Customs. Clearly, it has faced significant challenges, which have been mentioned by hon. Members across the House, not least of which was the merger and the implications of bringing two big organisations together to deliver a large public service. However, as someone once said, we are where we are, and I want to look to the future and some of the challenges, rather than revisit old territory.

Between HMRC's formation in April 2005 and March 2010, it collected £2,188 billion in tax and paid out £157 billion in benefits. That is a big operation by any standards, and its functions relating to tax credits, taxation, child benefit, child trust fund endowments, the national minimum wage, which my hon. Friend the Member for Foyle (Mark Durkan) has mentioned, and the supervision of a range of money laundering regulations are key issues that are impacting on the Government as a customer, in relation to raising taxation, and on members of the public as customers. I understand that, as the hon. Member for Witham (Priti Patel) has pointed out, there are many areas in which that interface causes severe frustration and difficulties in relation to customer service. The service to both the customer and the recipient, including the Government, needs to be improved in those areas.

A key thread of today's debate has been the level of service, especially outward-facing service. We need to reconsider how to improve the response of the service to members of the public who engage with it. That includes not only phone responses, which the hon. Member for Redcar (Ian Swales) mentioned, letter responses and complaints procedures, but the whole issue of how the public interface with the service, how they use it to help them to pay their taxes in an effective way, and how difficulties are resolved. People should expect a level of public service and should know what that level of service is, and we in the House, both in opposition and in government, should look at how we can help to support that. There are real problems here, and if the Minister dealt with the strategy to help improve the service to the public, so that there was clarity and transparency about the issues that hon. Members have raised in connection with what the public should receive, I would welcome that.

HMRC's main customer remains the Government. It is a tax-collecting agency and it needs to perform that function effectively and efficiently. It is important to maximise revenue flows and to improve compliance. One of the key issues in today's debate has been how to raise those issues in a positive way to ensure that we take forward tax collection to maximise the available tax-take in a fair and effective way. To do that, we need a dedicated work force with good morale; hon. Members have touched on the changes and the fact that staff morale in the service has been low. To bring about those changes effective leadership is required from the Minister, which I am sure he will give, and from the staff who lead the organisation, focusing on HMRC's core objectives of delivering services to the public and to the Government. A key issue in that regard, which was touched on by my hon. Friend the Member for Leeds East in particular, is that in a time of global recession and public spending challenges, we need to ensure there is fair and effective taxation and compliance in relation to the taxation issues in our community at large.

One of the key themes in today's debate, which was reflected by my hon. Friends the Members for Cumbernauld, Kilsyth and Kirkintilloch East (Gregg McClymont) and for Hayes and Harlington (John McDonnell), is how we manage effective tax compliance and revenue collection at a time when, by the Minister's own admission, he is reducing HMRC's settlement by 15% overall as part of the efficiency savings that he seeks to make. Despite the fact that he is investing £917 million in tax collection and compliance, the £2 billion cut in the service causes concern.

My hon. Friend the Member for Luton North (Kelvin Hopkins), on a topic that he has raised in the Chamber on many occasions, drew attention to the fact that the PCS and the Association of Revenue and Customs believe that the compliance figure for each officer amounts to a yield of about £650,000. There are many opportunities for the Minister to enhance compliance in the future. Like my hon. Friends, I am concerned that the 25% potential efficiency savings and the £2 billion cut in the budget will result in job losses, which will equate to revenue losses and lower morale among the staff whom my hon. Friend the Member for Cumbernauld, Kilsyth and Kirkintilloch East represents, and staff elsewhere, as my hon. Friend the Member for Hayes and Harlington mentioned.

I want to hear from the Minister, in the time he has at his disposal, how he expects those efficiency savings of £2 billion to be made, over and above the £917 million that he has put in place to support revenue collection. I want to hear an answer to the question from my hon. Friend the Member for Leeds East: how much of the money that will be raised by the extra £917 million is to be collected before the 2013-14 deadline, given that the Minister said that he expects to raise an extra £7 billion by that time? I want to hear from him about the service that HMRC will provide. With that £2 billion reduction, I worry that service issues identified by the hon. Members for Witham, for Dover (Charlie Elphicke) and Hereford and South Herefordshire (Jesse Norman) will be exacerbated as a result of insufficient legal resources for litigation, lower response times, increased compliance costs and more difficulties in delivering the efficient service that we all seek.

The Minister needs to give the House an account of his future strategy for the effective collection of revenue by HMRC. We saw last year, with the PAYE debacle in which 1.4 million people were asked to make up an underpayment worth about £2 billion, that the service impacts on everybody's life, as has been pointed out by Members speaking about their own constituency experiences. Mistakes that are made, from child tax credits to tax demands, cause stress and worry. The efficiency of the organisation is desirable not just because it is a public service, but because of its effect on people's day-to-day life.

I want to hear from the Minister how he expects to manage revenue collection and compliance over the next few years, and how he intends, with officials, to improve the service and sharpen its focus at a time of reduced resources. Those who work in the service care as much as we do about it, and about its future direction. The trade unions have emphasised to me the need to invest in training and support for tax professionals, the need to ensure that we have an effective deterrent against non-compliance, and the need for measures to reduce the tax gap and ensure that we provide a service to customers out there who are our constituents.

I think that we have a clear role to look at where we have come from and to focus HMRC on its core business, which is providing a service to the public and raising the revenue that we seek to spend. I simply put down as a marker for the Minister the fact that the Opposition will be watching carefully to see how his efficiency savings either hit or support that public service and revenue collection. HMRC's role is key to helping us fund the public services that we all want, and it is his job to ensure that it does so in the most efficient way possible.

6.50 pm

The Exchequer Secretary to the Treasury (Mr David Gauke): We have had a valuable debate, and I congratulate my hon. Friend the Member for Chichester (Mr Tyrie), the Chair of the Treasury Committee. We have had the benefit of his expertise and that of other Committee members, including my old friend, the hon. Member for Leeds East (Mr Mudie) and my hon. Friend the Member for Hereford and South Herefordshire (Jesse Norman). We also heard from a member of the Public Accounts Committee, my hon. Friend the Member for Redcar (Ian Swales).

We have heard about the experiences of the constituents of my hon. Friend the Member for Witham (Priti Patel) and had the benefit of the considerable tax expertise of my hon. Friend the Member for Dover (Charlie Elphicke). We have heard about some of the difficulties of a border area from the hon. Member for Foyle (Mark Durkan) and also heard from the hon. Member for Cumbernauld, Kilsyth and Kirkintilloch East (Gregg McClymont), whose constituency has the largest tax office in the UK. We have also heard from the hon. Members for Luton North (Kelvin Hopkins) and for Hayes and Harlington (John McDonnell), who both have a long-standing interest in the matter.

There is clearly a consensus across the House that HMRC is a hugely important organisation that has a valuable role to play through the service it provides to taxpayers and tax credit claimants and its contribution in dealing with the difficulties in the public finances. We have heard articulated a widespread concern about a number of aspects of its performance. As the hon. Member for Leeds East pointed out, that has been a consistent concern for a number of years. We have heard a little about some of the causes of the problems. The hon. Member for Hayes and Harlington, among others, talked about the difficulties of the merger, and my hon. Friends the Members for Chichester and for Dover talked about tax complexity. The hon. Member for Luton North talked about the challenges created by the introduction of tax credits and HMRC's responsibility in that area. Those issues have contributed to a number of the problems.

[Mr David Gauke]

In the time available, I will touch on the various issues that have been raised. A number of Members mentioned staff morale. The survey numbers are pretty shocking, as HMRC does very poorly on that. My hon. Friend the Member for Chichester referred to HMRC staff as the salt of the earth, and talked about their dedication. I visit a lot of HMRC offices and find that the staff are very dedicated and committed to their jobs. The problem is that they do not feel a strong connection with HMCR or the sense of loyalty and affection to the organisation that they might, but there is a desire to do their jobs very well.

There is sometimes a feeling that HMRC staff are kicked around a bit and that some of the criticism is unfair—happily, I can exclude all Members who have participated in the debate from that charge. To be balanced and fair to HMRC, we should acknowledge some of its successes. Just over a month ago, for example, they successfully dealt with a record number of self-assessments by the self-assessment deadline.

Nicholas Soames (Mid Sussex) (Con): I wholly support what the Minister is saying. It strikes me that what HMRC staff need most is to feel valued, because they do an extraordinarily important job for this country.

Mr Gauke: My hon. Friend is absolutely right, and it is right for us to put that point on the record.

On PAYE reform, there is no doubt that there were real problems with the introduction of the national insurance and PAYE service—NPS—computer system. The system does improve how PAYE works, but last year we saw significant problems with tax codes. So far this year we are more than halfway through the tax code process, and it seems to be going well, but these are still relatively early days. There has been a concern about the introduction of NPS, and a considerable concern about the end-of-year reconciliation process. PAYE has always involved an end-of-year reconciliation, but the numbers revealed in September were shocking. We have enormous sympathy with those who face an unexpected tax bill, and we want to do everything we can to ensure that they are treated fairly and sympathetically.

The fundamental problem is that the PAYE system has failed to keep up with changes in working patterns: people tend to move jobs more often, and they often have more than one source of income. We are taking steps to address that by introducing real-time information to the tax system, and we believe that that can address the real causes of the problem. I am aware of the concerns that the hon. Member for Leeds East raised about the timetable, and we are looking closely to ensure that we can deliver to it.

My hon. Friend the Member for Dover was entirely right to mention contact centres and their slow responses. The current service is not good enough, and in the long term we will solve that by getting things right first time and ensuring that the tax system is simpler so that people do not need to phone up. As a temporary measure, however, HMRC will employ between April and September—a particularly busy time for HMRC—1,000 additional contact centre advisers to ensure that we see an improvement in performance.

Several Members raised the issue of the tax gap. The £42 billion figure that HMRC produced—the other figures that have been thrown around lack credibility—is a big number, and although it compares well internationally we are determined to do what we can to bring it down. The figure is made up of several factors, including the hidden economy, written-off debt and so on, and there will always be a tax gap, but we are determined to reduce it.

That brings me to the spending review. Let me be very clear: during the usual communications that take place between Opposition spokesmen and senior civil servants in the run-up to a general election, we said to HMRC, "If you have proposals for areas where additional expenditure could result in substantially increased yield, we want to look at them," because all too often the previous Government did not listen or even attempt to address that matter.

We were very pleased when HMRC came up with proposals for spending £900 million over the course of the spending review period, and it believes that that could really deliver. I cannot supply the full profile, but by the end of that period HMRC should be raising an additional £7 billion as a consequence of strengthening its compliance capacity, increasing the number of people working in compliance and enforcement, and tackling tax evasion. That is an important step to take.

We have had a useful and valuable discussion within a wide-ranging and interesting debate about an incredibly important issue. Across the House, we recognise that HMRC is a very important organisation. It is right to focus its efforts, as the right hon. Member for Delyn (Mr Hanson) said, on collecting taxes and getting the yield in, and that is what we are doing.

We recognise that savings have to be delivered, that services have to be maintained, that performance must be improved and that revenues must be increased to help tackle our nation's record deficit. We are determined that HMRC will deliver, and that by the end of the Parliament it will be a far better department, and one that is more efficient, cost-effective and better tailored to the needs of modern Britain.

Question deferred (Standing Order No. 54(4)).

7 pm

The Deputy Speaker put the deferred Questions (Standing Order No. 54(4)).

SUPPMENTARY ESTIMATES 2010-11

Department for Education

Resolved,

That, for the year ending with 31 March 2011, for expenditure by the Department for Education—

(1) further resources, not exceeding £240,806,000, be authorised for use as set out in Spring Supplementary Estimates 2010-11, HC 790,

(2) a further sum, not exceeding £66,354,000, be granted to Her Majesty out of the Consolidated Fund to meet the costs as so set out, and

(3) limits as so set out be set on appropriations in aid.

HM Revenue and Customs

Resolved,

That, for the year ending with 31 March 2011, for expenditure by HM Revenue and Customs—

(1) further resources, not exceeding £303,044,000, be authorised for use as set out in Spring Supplementary Estimates 2010-11, HC 790,

(2) a further sum, not exceeding £547,861,000, be granted to Her Majesty out of the Consolidated Fund to meet the costs as so set out, and

(3) limits as so set out be set on appropriations in aid.

The Deputy Speaker then put the Questions on the outstanding Estimates (Standing Order No. 55).

ESTIMATES, 2010-11 (NAVY) VOTE A

Resolved,

That, during the year ending with 31 March 2011, modifications in the maximum numbers in the Reserve Naval and Marines Forces set out in Supplementary Votes A 2010-11, HC 777, be usbauthorised for the purposes of Part 1 of the Reserve Forces Act 1996.—*(Mr Goodwill.)*

ESTIMATES, 2010-11 (ARMY) VOTE A

Resolved,

That, during the year ending with 31 March 2011, modifications in the maximum numbers in the Reserve Land Forces set out in Supplementary Votes A 2010-11, HC 777, be authorised for the purposes of Part 1 of the Reserve Forces Act 1996.—*(Mr Goodwill.)*

ESTIMATES, 2011-12 (NAVY) VOTE A

Resolved,

That, during the year ending with 31 March 2012, a number not exceeding 42,550 all ranks be maintained for Naval Service and that numbers in the Reserve Naval and Marines Forces be authorised for the purposes of Parts 1, 3, 4 and 5 of the Reserve Forces Act 1996 up to the maximum numbers set out in Votes A 2011-12, HC 769.—*(Mr Goodwill.)*

ESTIMATES, 2011-12 (ARMY) VOTE A

Resolved,

That, during the year ending with 31 March 2012, a number not exceeding 124,270 all ranks be maintained for Army Service and that numbers in the Reserve Land Forces be authorised for the purposes of Parts 1, 3, 4 and 5 of the Reserve Forces Act 1996 up to the maximum numbers set out in Votes A 2011-12, HC 769.—*(Mr Goodwill.)*

ESTIMATES, 2011-12 (AIR) VOTE A

Resolved,

That, during the year ending with 31 March 2012, a number not exceeding 44,730 all ranks be maintained for Air Force Service and that numbers in the Reserve Air Forces be authorised for the purposes of Parts 1, 3, 4 and 5 of the Reserve Forces Act 1996 up to the maximum numbers set out in Votes A 2011-12, HC 769.—*(Mr Goodwill.)*

ESTIMATES, EXCESSES, 2009-10

Resolved,

That, for the year that ended with 31 March 2010—

(1) resources, not exceeding £747,000, be authorised for use to make good excesses of certain resources for defence and civil services as set out in Statement of Excesses 2009-10, HC 791, and

(2) a sum, not exceeding £318,000, be granted to Her Majesty out of the Consolidated Fund to make good excesses of certain grants for defence and civil services as so set out.—*(Mr Goodwill.)*

SUPPLEMENTARY ESTIMATES, 2010-11

Resolved,

That, for the year ending with 31 March 2011—

(1) further resources, not exceeding £35,218,080,000, be authorised for defence and civil services as set out in Spring Supplementary Estimates 2010-11, HC 790,

(2) a further sum, not exceeding £7,577,185,000, be granted to Her Majesty out of the Consolidated Fund to meet the costs of defence and civil services as so set out, and

(3) limits as so set out be set on appropriations in aid.—*(Mr Goodwill.)*

Ordered, That a Bill be brought in upon the foregoing Resolutions;

That the Chairman of Ways and Means, Mr Chancellor of the Exchequer, Danny Alexander, Mr David Gauke, Justine Greening and Mr Mark Hoban bring in the Bill.

Consolidated Fund (Appropriation) (No. 2) Bill

Presentation and First Reading

Mr Mark Hoban accordingly presented a Bill to authorise the use of resources for the service of the years ending with 31 March 2010 and 31 March 2011 and to apply certain sums out of the Consolidated Fund to the service of the years ending with 31 March 2010 and 31 March 2011; and to appropriate the supply authorised in this Session of Parliament for the service of the years ending with 31 March 2010 and 31 March 2011.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 153).

DEFERRED DIVISIONS

Motion made, and Question put forthwith (Standing Order No. 41A(3)),

That, at this day's sitting, Standing Order No. 41A (Deferred divisions) shall not apply to the Motion in the name of Secretary Theresa May relating to Prevention and Suppression of Terrorism.—*(Mr Goodwill.)*

Question agreed to.

Prevention and Suppression of Terrorism

[Relevant document: Eighth Report from the Joint Committee on Human Rights, Renewal of Control Orders Legislation 2011, HC 838.]

7.2 pm

The Parliamentary Under-Secretary of State for the Home Department (James Brokenshire): I beg to move,

> That the draft Prevention of Terrorism Act 2005 (Continuance in Force of Sections 1 to 9) Order 2011, which was laid before this House on 3 February, be approved.

The purpose of the order before the House is to renew sections 1 to 9 of the Prevention of Terrorism Act 2005 pending their repeal and replacement with an alternative regime. These sections expire after one year unless renewed by order, subject to affirmative resolution in both Houses. The effect of this order will be to maintain the control order powers until the end of 31 December 2011. As the Home Secretary said to the House on 26 January, this limited renewal is to allow us to bring forward the legislation introducing a replacement system.

I would like briefly to set out the context for the proposal before the House. As the Prime Minister has said, the threat to the UK from international terrorism is as serious as we have faced at any time. It is assessed by the joint terrorism analysis centre to be "severe". A number of significant terrorist plots have been uncovered over the past year. Recent trials and investigations show that terrorist networks are continuing to plan and attempt to carry out attacks. That threat will not diminish at any point soon.

Against this background, and given our commitment to redress the balance in our counter-terrorism powers, the Government conducted a review of counter-terrorism and security powers which considered the necessity, effectiveness and proportionality of control orders.

Jeremy Corbyn (Islington North) (Lab): Have any of the people whom the Minister is concerned about—who may or may not be plotting terrorist attacks—at any time been subject to a control order or considered for a control order?

James Brokenshire: The hon. Gentleman will appreciate that it is not appropriate for me to comment on such sensitive security issues. I can tell him that the review we undertook underlined that the Government's absolute priority must be to prosecute suspected terrorists in open court. Measures that impose restrictions on suspected terrorists who have not been convicted in open court should be our last resort. As far as possible, given the need to protect the public, any restrictions should support the primary objective of prosecution.

The review concluded that for the foreseeable future, there is likely to continue to be a small number of people who pose a real threat to our security, but who, despite our best efforts, cannot be prosecuted or, in the case of foreign nationals, deported. As at 10 December 2010, eight individuals were subject to control orders. Our reluctant assessment is that there will continue to be a need for a mechanism to protect the public from the threat that such individuals pose. Lord Carlile reached the same conclusion in his most recent and last independent report on control orders. Consequently, he and the other statutory consultees support the proposal to renew the control order powers. I am sure that hon. Members from all parts of the House will join me in thanking Lord Carlile for his work over the past 10 years.

The review also concluded that it is possible to move to a system that will protect the public but be less intrusive and have more clearly and tightly defined restrictions. In particular, the two-year maximum time limit clearly demonstrates that these are targeted, temporary measures. It will be possible to impose a further measure only if there is evidence of new terrorism-related activity after the original measure was imposed. Measures will have to meet the evidential test of reasonable belief that a person is or has been involved in terrorism-related activity. That is higher than the test of reasonable suspicion of such involvement in the control orders regime. The police will be under a strengthened legal duty to inform the Home Secretary about an ongoing review of a person's conduct with a view to bringing a prosecution. A more flexible overnight residence requirement will replace the current curfew arrangements.

Dr Julian Huppert (Cambridge) (LD): I thank the Minister for giving way; he is being very generous so far and we will see how this goes. Will he clarify how the new residence requirement is different from the existing arrangements? In her comments to the Home Affairs Committee, the Minister for Security, Baroness Neville-Jones, was less than clear on that point.

James Brokenshire: I know that this issue was of interest to the Home Affairs Committee. As the Minister for Security made clear in her evidence, the normal overnight residence requirement will be for between eight and 10 hours. She has written to the Committee to set out that as at 10 December 2010, the longest curfew under a control order was for 14 hours, which was in place in two cases. Of the remaining curfews, one was for 13 hours, three were for 12 hours, one for 10 hours and one for eight hours. Therefore, at least six of the eight individuals will be confined to their residence for a shorter period than they are currently. The Minister for Security has made that point clear.

It is worth stressing some of the other relevant issues. Forcible relocation to other parts of the country will be ended. Geographical boundaries will be replaced with a power to impose much more tightly defined exclusions from particular places. There will be no power to exclude someone from, for example, an entire London borough. Individuals will have greater freedom of communication, including access to a mobile phone and a home computer with internet access, subject to certain conditions such as providing passwords. They will have greater freedom to associate—for example, there will be no blanket restrictions on visitors or meetings. Individuals will only be prohibited from associating with people who may facilitate terrorism-related activity. They will be free to work and study, subject again to the restrictions necessary to protect the public. These changes will allow the individual to continue to lead a normal life so far as is possible, subject only to the restrictions necessary to prevent or disrupt involvement in terrorism-related activity.

The more limited restrictions that may be imposed may facilitate further investigation, as well as preventing terrorism-related activities. The new regime will also be accompanied by an increase in funding for the police and the Security Service, to enhance their investigative capabilities. The Government intend to bring forward legislation to that effect shortly. The legislation must be properly prepared and properly scrutinised by the House. In the meantime, we are clear that it would be irresponsible to allow the current regime to lapse in the absence of alternative measures and while the investigative capabilities of the law enforcement and security agencies are being developed.

It is important to underline that control orders remain legally viable and although they are, in our judgment, imperfect, they have had some success in protecting the public. We are satisfied that the current control order powers and the order before us today are proportionate and fully compliant with the European convention on human rights, and that, pending the introduction of their replacement, it is essential that these powers continue to be available in order to protect the public.

Mr William Cash (Stone) (Con): I should like my hon. Friend to take note of the observation made by a former Home Secretary, Charles Clarke:

> "The principal responsibility of the judiciary is to justice and to the liberty of the citizen properly carried through, but not to the security of the nation."

Is my hon. Friend also aware of my Prevention of Terrorism Bill, which I introduced today? The object of the Bill is simply to disapply the Human Rights Act 1998 in respect of these matters in order to ensure that we maintain habeas corpus, due process and fair trial, even in the case of alleged suspects.

James Brokenshire: I am aware that my hon. Friend has introduced a Bill, although it would not strictly apply in the context of this debate on control orders and the new proposals that we are seeking to introduce, given that his Bill applies to provisions allowing for detention. That means that it would not affect these measures, because they do not allow for detention. I note that he has sought to introduce his Bill, but I do not think it is directly relevant to this debate.

Jeremy Corbyn: Is the Minister aware that the objection that many of us have to the principle of control orders is that they are effectively a form of Executive control and not subject to judicial review in the normal way? What we need is criminal law to deal with criminals, rather than Executive fiat to deal with people about whom the Security Service might or might not have suspicions.

James Brokenshire: I certainly hear the point that the hon. Gentleman is making. As I have already stressed, our preference is always to bring prosecutions and to bring people before the criminal law. I must also highlight my previous comment on the compliance with the ECHR of the provisions before us. These measures are always used only as a last resort.

We are currently preparing legislation to introduce the replacement system. I am anxious that the passage of that legislation should follow due process, and that it should be subject to the intense scrutiny that I know Members of this House and the other place will rightly bring to bear on it. Hon. Members will understand that these are complex issues, and I am sure that they will share my desire to ensure that we get the new provisions right. While the process is under way, it would not be responsible for us to leave a gap in public protection between the repeal of control orders and the introduction of the replacement regime. Our intention is that there should be a safe and managed transition to the new system. This means that, until the new system is introduced, we need to retain the full range of control order powers. The alternative would be to allow individuals who pose a threat to the public to go freely about their terrorism-related activities for the remainder of the year.

This is the last occasion on which the House will be asked to renew these powers. The Government will shortly bring forward a more targeted and focused regime to protect the public. Before the transition to that new regime is complete, the risk to the public would be grave indeed were control order powers not renewed. I therefore ask the House to approve the renewal of those powers for the transitional period.

7.15 pm

Mr Gerry Sutcliffe (Bradford South) (Lab): As the Minister said, the threat level to our country remains at "severe", and the threat of terrorism is never far away. We are a high-profile country that will be holding high-profile events this year and next, so there cannot and should not be any room for complacency.

We should congratulate and thank our security services and police on their co-ordinated work in keeping us all safe. They do a tremendous job, and we know of the plots that have been foiled in the recent period. It is our duty in the House to provide them with the tools and procedures that they need to do their job effectively. Sometimes, that means walking the difficult line between balancing individual freedom and collective safety, with the rights of the wider community sometimes outweighing the rights of the individual. Control orders have been the tool for that.

As has been said, in an ideal world we would not wish to use control orders. It would be greatly preferable if our criminal justice system could deal with terrorists who wished us harm. However, as previous Home Secretaries and Ministers have said, control orders have become a necessary evil. Until an alternative comes forward that gives the same level of protection, we have to accept that.

As the Minister said, this is the sixth annual review of control orders since the power was introduced in the Prevention of Terrorism Act 2005. The order before us provides for the continuation of the power to make a control order against an individual when the Secretary of State has

> "reasonable grounds for suspecting that the individual is or has been involved in terrorism-related activity"

and considers it necessary to impose obligations on that individual for the purpose of protecting members of the public from the risk of terrorism. That has to be the major priority for any Government.

Lord Carlile, who was the independent reviewer of terrorism, said in a previous report that one person subject to a control order was

> "a dangerous terrorist who would re-engage with terrorism the moment he could."

That is the type of person we are dealing with. I add my congratulations to Lord Carlile on his nine years in the

[Mr Gerry Sutcliffe]

job. He did a tremendous job, and I know that it challenged his political views on control orders and other terrorism-related matters.

The original intention behind control orders was to deal with foreign terrorists who could not be deported or prosecuted. As the Minister said, eight people are under control orders at the moment, and some of those orders have been made since the coalition Government came to power. As I understand it—he may be able to confirm this or otherwise—the current control orders are all on UK citizens as opposed to foreign nationals.

Yesterday, the Home Secretary announced in the Protection of Freedoms Bill what we see as a weakening of anti-terror legislation. We have also seen the ridiculous situation of the order on 28-day detention being allowed to lapse without the draft emergency legislation being in place. That legislation has now been published, but as yet we do not know when we will discuss it. There may be a difficulty if it is introduced when the House is not sitting and there needs to be a recall of Parliament for us to scrutinise it.

As the Minister said, the Home Secretary wants to repeal control orders, as she said in her statement to the House on 26 January following the belated counter-terrorism review. She said that too much of the 2005 Act was "excessive and unnecessary", but she and the Minister have admitted that for the foreseeable future there are likely to be a small number of people who pose a real threat to our security but who cannot currently be prosecuted or deported.

We need to know whether the replacement for control orders will be weaker and whether it will protect the country as it should. We would like to hear from the Minister what evidence came from the security services and the police about the new regime that he and the Home Secretary want to introduce. There is a suspicion on our side that it is a political fix to get the Deputy Prime Minister out of a mess, and that it has to do with the reality of being in government as opposed to the rhetoric of Opposition. I say that because the Home Secretary and the Prime Minister realised, on the advice of the security services and the police, that there are dangerous people out there, whom we must tackle. I hope that the new regime is evidence-based, and I will be interested in any evidence that the security forces and the police publish about their viewpoints.

If the Minister is able to respond to the debate in the time available, will he react to the House of Lords Joint Committee report and its recommendations on the scrutiny of the new proposals?

Richard Fuller (Bedford) (Con): Some of us recognise that control orders are the jewel in the crown of the previous Government's authoritarian legislation. The hon. Gentleman said that we are discussing the sixth annual renewal. Does he believe that the existing rules on control orders—that necessary evil—are perfect? If not, did he ever vote them down on the five other occasions they were discussed?

Mr Sutcliffe: No. The hon. Gentleman makes a fair point. As I said, every time the matter has been discussed, the Minister of the day has said that it is a difficult matter, and that we much prefer to get to the point of prosecution so that the criminal justice system deals with it. However, as Lord Carlile, who was the independent regulator, found, there are circumstances for which the criminal justice system cannot cater in that way.

Richard Fuller: I greatly appreciate the hon. Gentleman's giving way again. He used the word "weaker", but a change in the law could be perceived as an improvement rather than a weakening. We should be careful when we use such words because they can have different meanings in different contexts.

Mr Sutcliffe: I take the point, but that relates to the parliamentary scrutiny of the new proposals, and perhaps I will deal later with how we can consider that further.

Counter-terrorism policy has to be built on evidence and on advice from the security services and the police, not political fixes. That is important because Members of Parliament do not get the detail of exactly what has occurred. We get the independent reviewer's report, but we do not get the information about what has happened. Usually the Home Secretary, sometimes on Privy Council advice, gives briefings to the Opposition. When we discuss the new regime, that might be a way forward to work together to try to ensure that we understand what exactly is happening on the ground.

The Minister referred to the replacement legislation in discussing what the Home Secretary said on 26 January. She asked the independent commissioner, David Anderson, to pay particular attention to the new measures in his first report. That is fine, but the Minister used the word "shortly", which was a favourite of mine when I was a Minister, and means any time between now and a given date a long time in the future. When does the Minister expect the proposed legislation to be available so that we can discuss the various issues that we face?

I particularly want to debate the difference between a curfew and an overnight residence requirement. The Minister mentioned a possible difference in hours, but we will see how we go.

The legislative proposals need to be scrutinised. The new control order regime pays particular attention to surveillance and we are told that sufficient finance will be available for the resource-intensive proposal to the police and the security services. Will the Minister confirm that it will be new money? How will the continuation of the current control order regime deal with the financial cuts that the police and the security services face? How much will the police budget for counter-terrorism be? How will a cut in that budget affect control orders? Is there any likelihood of needing to increase the number of control orders as prisoners detained under counter-terrorism measures are released and returned to our streets? Has any assessment been made of the possible increases in the need for control orders? Another issue that was raised the last time we debated control orders was the cost to the Exchequer arising from legal challenges made by controlees. Will the Minister inform us of those costs?

All hon. Members recognise that the safety and security of the public are difficult issues. We have long-held traditions of individual rights and freedoms, but as I said, given the world that we live in, there is a difficult balance to achieve. Evidence-based policy is vital, and we should err on the side of caution when it comes to the safety of the public. The Opposition will obviously support the extension of the orders this evening. We look forward to the new legislation on how we work and scrutinise what happens. We hope to reach a consensus that meets the requirements of individual freedoms while putting the safety of our country to the fore.

7.26 pm

Patrick Mercer (Newark) (Con): It is a pleasure to follow the hon. Member for Bradford South (Mr Sutcliffe). Many of his comments, and his support for the Government, were not unexpected.

I sometimes wonder how much time we consume in the House of Commons dealing with apparently insignificant affairs. For instance, having had a grand total of—I think—nearly 30 individuals under control orders at one stage, we are now down to eight, so we find ourselves devoting many minutes, if not hours, of parliamentary time discussing the fate of eight individuals. That is important. However, what concerns me most is that the previous Government imposed control orders that are fundamentally wrong, misapplied and undemocratic—they are fundamentally a help to our enemies—but did not seem particularly bothered when individuals who were subject to them under the previous regime absconded or escaped.

That is the point. I pay huge tribute, as the hon. Gentleman did, not only to the work of Lord Carlile, but to the work of our security services, who have foiled or plain put off any number of extremely dangerous plots. However, the fact remains that although the eight individuals about whom we are speaking today are not numerous, they are a totem for our enemies.

Jeremy Corbyn: I am interested in the hon. Gentleman's opinions, but, as the Minister said earlier, there are no charges against those eight individuals, and there is apparently no possibility of deporting the foreign nationals involved. Does the hon. Gentleman share my concern that the House will vote through Executive orders that control and change people's lives entirely when no criminal charges have been laid against them?

Patrick Mercer: The hon. Gentleman's intervention is helpful and timely, and I completely agree with him. The difficulty is that we are detaining those individuals undemocratically and improperly, which plays directly into the hands of our enemies.

Our foes—be they Islamist fundamentalists, direct action groups or animal rights groups, Irish individuals or whatever—all understand the power of propaganda. The one thing at which they are good is broadcasting their word. They understand that the spoken, the written and the broadcast word are more powerful than any bullet or bomb.

Before Christmas there was a series of events, with which I shall not detain the House, involving a serious plot against western Europe—a core al-Qaeda plot—that both failed and was foiled. To replace that failure in the eyes of the public, an extraordinarily ill-thought-through plot was mounted from Yemen involving ink cartridge containers on a certain number of aircraft—cartridges that, frankly, were unlikely ever to explode. However, for very little effort, our enemies dominated the media for four complete days at the end of October last year, making the point that terrorism had not gone away and that they still intended to terrorise people. They did so without killing or injuring anyone, and with very little effort on their part.

The point is that with control orders we continue to aid and abet our enemies in exactly those methods of operation. First and foremost, we fought Nazism, communism and Irish republicanism without having to resort to any of those methods, because we were a democratic nation fighting on democratic principles against non-democratic enemies.

Jacob Rees-Mogg (North East Somerset) (Con): I agree with a great deal of what my hon. Friend is saying, but we did intern people in the last war and we did have extraordinary regulations—regulation 18B—to lock up people who were deemed to be a threat to the state, so I think it is fair to have extraordinary regulations for relatively small numbers.

Patrick Mercer: I am most grateful to my hon. Friend. He is absolutely right: of course we interned people in the last war, and we also carried out the disastrous policy of internment in Northern Ireland in the '70s. I was not there at the time, but I was there in the follow-up to that policy, which was literally disastrous, not only in countering terrorism, but in aiding and abetting the recruitment of our foes in the battle with the Irish Republican Army that lay ahead. However, I hope that my hon. Friend does not mind if I do not go into that in too much detail.

If we retain the powers indefinitely and continue to treat that small number of people in that way, we will pass the most important tool that we can to our foes. We will be saying to our enemies: "Please understand that without letting off any bombs or killing any policemen, soldiers or civilians, you have achieved exactly what you want to achieve. In other words, you have destabilised our democracy. Without raising a finger, you have done exactly what you wanted to do: you have changed the way we live our lives." That is not right. I celebrate the changes that the Home Secretary announced earlier. Without doubt, there have been some improvements. For instance, of the three measures for which I have long argued, and for which I shall continue to argue—the ability to question after charge, the use of intercept evidence and plea bargaining—one has been accepted. One is better than nothing—it is an improvement—but we must understand that our abiding aim is to get those individuals into court on a legitimate charge and with a legitimate trial, and to uphold the principle that they are innocent until proven guilty.

We have other methods of dealing with criminals. I am sure that, like me, the House remembers how a previous Prime Minister made it a point of principle that Irish republican terrorists, and indeed Protestant paramilitaries, should not be treated as they wished to be—that is, as soldiers—but as mere common criminals.

Mr Nigel Dodds (Belfast North) (DUP): I am following the hon. Gentleman carefully, but will he correct his reference to "Protestant paramilitaries", by perhaps describing them as loyalists or so-called loyalists? His use of the word "Protestant" in this context is not correct.

Patrick Mercer: The right hon. Gentleman is quite right. I am afraid that I am a victim of my own experience. He is absolutely right that the term is outdated.

[Patrick Mercer]

It was one that we used in the many tours that I served in Northern Ireland, but it is both wrong and probably insensitive, and I apologise.

Whatever stamp of terrorist we were facing in Northern Ireland, that terrorist was deemed to be a criminal. There are methods that we can use to handle those criminals. They are not soldiers; they are criminals. Therefore, surely it is up to us to deal with them in the same way, using the rules of bail along with other methods that we use to surveille those of whom we are suspicious. We do not need to take these individuals' liberties away from them.

There are two points behind that idea. The first is that it is improper and undemocratic; the second is that it is plain damn silly. If we say to someone, "We are interested in you; we are surveilling you; we are keeping you under observation", we immediately fail to harvest the intelligence that those individuals can give us. Not all of them are terribly clever, although some are, and many of them are very foolish, which is why they have fallen under suspicion in the first place. Foolishness, of course, should be aided and abetted by the security services because foolishness provides us with further clues and further evidence.

I will not detain the House further. Despite my instincts, I will certainly support the Government tonight on the basis that I understand that future legislation needs time to mature and to be properly formulated. The fact remains that I hope that the Home Secretary and her Ministers will look most carefully at what is proposed so that in the future we will deal with our enemies not only in a democratic and proper way, but in a thoroughly practical one.

7.36 pm

Jeremy Corbyn (Islington North) (Lab): I am grateful for being called to speak and I am sorry that it looks as though there are not enough Members present to call a Division later. I personally believe that these are very serious matters and I have opposed control orders in the previous Parliament as well as in this one, so at least I have the benefit of consistency on this matter.

I oppose control orders not because I have any truck with those who wish to set off bombs in the cities of this or any other country. Indeed, my borough lost more lives on 7/7 than any other London borough, and attending those funerals because of what happened on that day is not easily forgotten. My concern is that Parliament is again voting through provisions that give extraordinary powers to a Secretary of State, who is able to impose a control order on an individual without recourse to a due process of law.

As the Minister said, these are people against whom no criminal charge could be brought and they cannot be deported, presumably because of the lack of convention applicability in the countries to which they might be deported. We do not know, of course, who these eight individuals are. I think that for Parliament to give such powers to any Secretary of State is an abdication of our responsibility for two reasons. First, the separation of judicial and political functions is central to the constitution and very important. We are not a court; we cannot put people on trial. We can pass laws, and it is for the courts to deal with them in a separate place. Secondly, if by this process we deny individuals access to any judicial process whatever and people are restricted and to some extent detained by Executive decision, that bypasses both ourselves as a Parliament and the independence of the courts. We should think very carefully about that.

We are apparently dealing with eight individual cases and I have no idea who those eight people are. I do not propose to discuss any of those cases; that is not the point. The point is one of principle relating to what we as a Parliament are doing. If this measure is part of the war on terror, I ask Members to remember what the hon. Member for Newark (Patrick Mercer) just said about the experience of internment in Northern Ireland. Indeed, for that matter, there is also the case of internment at the start of the second world war, when a large number of Jewish people were detained on the basis that they had German relatives. Of course they had German relatives: they had fled from Nazi Germany and came to this country to escape fascism, only to be promptly detained as suspects of fascism. I suspect that they found that experience deeply troubling and that it did not leave them for the rest of their lives. We need to reflect carefully on that.

If an individual has an order placed against them, their movements, their liberties and their life opportunities will obviously be restricted. If an employer knows about it, as he probably will, the person concerned will be unlikely to keep his job. I suspect that many universities will be very reluctant to allow students in that position to remain there, and might refuse outright. The lives of such people are seriously harmed in many other ways

Is this a fair thing to do? If there is evidence that an individual is manufacturing a bomb, planning to put a bomb on a plane, or planning to kill civilians for no obvious reason—indeed, to kill civilians in any circumstances—let a criminal charge be brought against them. We should bear it in mind that in Northern Ireland, internment became a recruiting sergeant for the IRA.

Let us look at the issue on a wider scale. Let us consider the hundreds of thousands of young people who are wasting their lives away in refugee camps in Gaza, Lebanon, Jordan, Syria, and many other parts of the middle east. Do they feel that they have a democratic choice? Do they feel that they have a democratic right for the rest of their lives? No. They see the rest of the world vicariously, through television screens and computers. Does their experience make them respect a democratic process? Does it give them choices and opportunities? No. It is the breeding ground for irrational acts of criminal violence against civilians.

The House cannot solve all those problems, but we can at least make two contributions. First, we can try to bring about peace and justice processes throughout the region concerned. Secondly, we can ensure that in this country we defend the democracy of an elected Parliament, defend the independence of the judiciary, do not allow Ministers to have powers to detain individuals without recourse to the courts or to an individual hearing, and allow such individuals to know what the charges against them are. We would condemn many other societies in which someone can visit an individual and say, "You are under suspicion; you are under arrest; you are under control", and I think that we should be very cautious indeed about passing a law allowing that in the House of Commons.

Rehman Chishti (Gillingham and Rainham) (Con): The hon. Gentleman says that the accused should be allowed to know what the charge is. That brings into play the concept of special advocates who are given evidence behind closed doors and cannot take instructions from the accused, and hence the concept of not being given a fair hearing. On that basis, does the hon. Gentleman agree that the process involving special advocates should be reviewed, and that the concept of a fair hearing at which the accused can be given a chance to comment on the evidence must be right?

Jeremy Corbyn: I more or less entirely agree with the hon. Gentleman. The Special Immigration Appeals Commission courts involve that concept of the special advocate who does not know—or, rather, may well know but cannot share with his client, the defendant—what the charges are against that person, and how the defence is to be mounted. Franz Kafka wrote about such circumstances extensively and with great passion. It is possible that descendants of Franz Kafka are working away in the Ministry of Justice, the Home Office or some grubby basement somewhere.

We are talking about the creation of a miasma of untrustworthy or untrustable sources. There might be a case against an individual, but that individual does not know what it is. His advocate might know what it is, but cannot tell him and can say only, "Do not worry—I will try and get you off. You want to know what you are charged with? Oh, I cannot tell you that." Hello? Let us get real. If we believe in a proper judicial process, let us practise a proper judicial process.

I feel very reluctant to support any anti-terror law that departs from the principle that anyone who has been charged must know what the charge is, must be able to defend himself against that charge, and must be either found guilty or acquitted, depending on what evidence is presented and what the court decides at the end of the process. That principle, surely, is the best defence of a free society. Departing from it weakens a free society and damages all of us.

It is disappointing that the Chairman of the Joint Committee on Human Rights, my hon. Friend the Member for Aberavon (Dr Francis), is not present to comment on its report. I want to make three brief points about the summary. The Committee calls on the Government to

> "urgently review all existing control orders to ensure they are compatible with the findings",

but it was not clear to me from the Minister's earlier contribution whether that had happened, so perhaps he will tell us in summing up.

One of the other Select Committee recommendations was:

> "The Director of Public Prosecutions should be asked to consider whether a criminal investigation is justified in relation to each of the eight individuals subject to existing control orders".

Again, I am not clear whether that has happened. I apologise if I missed something the Minister said, but I would be grateful if he would say what has happened in that respect.

The Select Committee also said:

> "We do not accept the Government's reasons for not providing this opportunity"—

for pre-legislative scrutiny—

> "and recommend that it be published and made available to Parliament".

If the Government have measures to introduce on control orders or anti-terror in general, that is clearly an important and major piece of legislation. This House has slowly and reluctantly dragged itself from the 18th century into the 19th and the 20th, and although we have not reached the 21st yet, we do have a process of pre-legislative scrutiny. Therefore, I think a Bill should be published as early as possible so that the House can thoroughly examine it and we can have a serious debate on it before it reaches the light of day. These are serious and important issues. We are talking not about just eight individuals' lives, but the whole principle of a democratic and free society.

We put in place control orders, secret courts, special advocates and all kinds of special measures, and we have a Security Service that is not public and that is unaccountable. We also have charges that are unknown against individuals who do not know what the charges against them are. That creates a rather unpleasant Kafkaesque secrecy surrounding our society and our lives. It does not make us any safer, and it does not make the world any safer; actually, it contributes to making the world a more dangerous and precarious place.

I hope the Minister understands both my reasons for making these points and why many of us hold these views. It is reasonable and fine for him or the Secretary of State to ask for opinions and views from the security services and the police; of course they should ask for their views. They should also, however, ask for the views of the judiciary, advocates, civil liberties groups and the people who spend their whole lives trying to defend the civil liberties of all of us. Their views are equally legitimate and important.

7.47 pm

Tom Brake (Carshalton and Wallington) (LD): It is a pleasure to follow the hon. Member for Islington North (Jeremy Corbyn), who has consistently held his views on this issue over many years. I have a lot of sympathy with what he has said. It is also a pleasure to follow the hon. Member for Newark (Patrick Mercer), for whose views I also have much sympathy.

I want to comment on a point made by the hon. Member for Bradford South (Mr Sutcliffe). I know he is an honourable man, but he made an unfortunate comment which I suspect was down to an over-enthusiastic, wet-behind-the-ears political novice who is working in his office at present, who got a quote from the Labour agents' handbook suggesting that the coalition Government's proposal is some kind of political stitch-up for the benefit of the Deputy Prime Minister. That was an unfortunate comment, and it demeans the hon. Gentleman, because it has no credibility whatever. To suggest that the coalition Government would put the country's security at risk is extremely regrettable, and I wish he had not made that remark.

I would prefer it if this debate did not have to take place, but I realise that we cannot allow control orders to lapse without anything in their place. I therefore welcome the fact that this is a temporary renewal, and that, as the Minister said, this will be the last occasion

[Tom Brake]

of its kind. We have a very clear milestone—31 December this year—by which the alternative arrangements need to be in place.

Mr Cash: Does the hon. Gentleman agree that in order to have effective and just alternative arrangements, they must be pivoted on habeas corpus, fair trial and due process, and any substitute within the framework of human rights legislation would simply not be workable?

Tom Brake: I thank the hon. Gentleman for that intervention, which he has made a number of times over the past couple of days. I certainly agree with him that any process must be heavily based on a judicial process; indeed, that is central to this debate.

It also gives me some reassurance that, where the coalition was able to take immediate action, such as on the 14-day provision, such action was indeed taken. Since this debate last took place, I have met—a couple of months ago—someone who was the subject of a control order that had been quashed. That happened because, eventually, some of the evidence held against this controlee had to be released. One of the apparently most convincing pieces of evidence held against him was that, when he was on the top deck of a bus with his son, he had stood up and turned in such a way that the camera could not see him, and therefore he had clearly been given counter-surveillance training.

That person set out precisely what his experience had been. He was at home when, all of a sudden, a large number of police officers came through the door. He was told, "We are now going to relocate you. No, you can't call a lawyer. We are going to relocate you to a part of the country you've not been to before. That doesn't matter—that is where you are going." He was then subject to conditions which meant that going out to work was not a possibility—doing that is not possible for someone who has to be back in their residence perhaps three hours after leaving it. If they live in a place that is already some distance from the town where they work, no sooner have they got there than they have to come back. They can therefore forget working, going to university and so on.

That experience led that person to have a breakdown and to abscond, because he could not take the pressure of the control order he was subjected to. As I said, it was eventually quashed, because when some of the evidence against him was produced, it was considered not terribly convincing.

There was one very regrettable aspect of the review process. The hon. Member for Islington North rightly talked about the other organisations that should be consulted as part of this process. It is very clear that one group of people who were not consulted as part of the process was controlees who subsequently had their control orders quashed. In order to get an appreciation of the effectiveness of this measure, what alternatives could be put in place and whether, psychologically speaking, this is a good way to move people away from terrorism—if that is what they are inclined to pursue—it would have been sensible as part of the review process to sit down and listen to some of these people's stories. However, that has not happened. That omission needs to be addressed in any ongoing process of examining the new legislation, and I hope it will be.

Whatever the alternative measure is, it clearly has to be a qualitative improvement from a civil liberties perspective—and, indeed, from a security perspective—on what was there before. It has to put the onus on prosecution rather than containment. All too often, as is acknowledged, one of the purposes of control orders is to contain people for long enough for them to lose track of the people whom they had had contact with in the context of terrorist activity, so in many respects it is simply a containment process. People are kept for as long as it takes for them to lose track or lose interest—or, indeed, grow up—and therefore not pursue that line of action. Therefore, the focus was not on trying to prosecute people and that was a mistake. I hope that the proposed terrorism prevention and investigation measures—TPIMs—will ensure that prosecution is very much at the heart of what happens. Lord MacDonald has set out clearly how that process could work and how a limited process of a couple of years could be allowed for such a prosecution to take place, and the Government will need to examine that very carefully.

As has been mentioned, further clarification is needed on curfews. As we know, a curfew does not stop someone doing what they want to do—that is also the view of Lord MacDonald. To replace a curfew with a shorter curfew is not the right course of action. A curfew, be it for 12 or 10 hours, is still a curfew and we need to examine the alternatives. For example, we might need to consider carefully a system where someone nominates a place of residence where they will be and has to give advance notice if they are going to be somewhere else on a particular day or week. We must not simply replace a curfew with a shorter curfew.

As I have stated, the judicial process has to be at the heart of the arrangement. Liberty has produced a useful crib sheet listing what applied under control orders and what will apply under TPIMs. I suspect that Liberty welcomes half the changes, although perhaps feels that more clarification is needed on a quarter of them. For example, control orders are renewed annually, but we need to know whether there will be a renewal process for TPIMs, as opposed to a permanent arrangement. As we have heard, there are question marks over the future of special advocates—perhaps that process could be changed—and, as I have said, we also need more clarification about exactly what is proposed on curfews. On some areas, particularly the judicial nature of the process, Liberty has severe reservations, as do I. I will certainly welcome anything that we can do to move this process into a court-based environment, rather than an Executive one, as will other Members who have spoken in this debate.

Clearly this is a crucial piece of legislation. There is a no alternative for us tonight; we cannot do anything but renew it, and that is entirely the right course of action. We have until the end of the year to flesh out what the alternative will be and to address some of these fundamental civil liberties considerations that require further clarification. I hope that we will see some substantial improvements from a civil liberties perspective, if not tonight, certainly as the draft legislation is developed, so that we can get rid of control orders and replace them with something with which I and others who are concerned about civil liberties will feel comfortable.

7.58 pm

Dr William McCrea (South Antrim) (DUP): Having listened to much of this debate, I find that I come to it from a completely different perspective from most, because I know the importance of facing the reality of terrorism. Many in this House have lived in the safety and quiet of their own home, but for 25 years of my life I lived totally under police protection. I could not drive on my own—I never drove in those 25 years. I had to be taken from A to B in a police car in the presence of the police because of terrorism. That was so even when some Members from my side of the Irish sea were playing along with those who were threatening people within the United Kingdom.

This debate is important, because it goes right to the heart of the solemn duty that is placed on a democratically elected Parliament and Government, which is to provide the protection and security of their people. The effect of the order will be to maintain the power set out under the 2005 Act and to allow the Government to exercise the use of control orders to tackle any severe threat from suspected international terrorists in particular.

We are living in a dangerous world. Let us realise that there are people in our society, within the UK, who live and breathe terrorism. They live to destroy and bring havoc upon the law-abiding people of the UK. I speak from experience, as IRA terrorists wreaked havoc on Northern Ireland for more than 30 years. I have spoken in many debates in the Chamber over the years, pointing out that various Governments have sought to appease terrorists, leaving the innocent population to endure grievous suffering and pain.

Tonight, hon. Members have spoken, no doubt with sincerity, about the withdrawal of people's rights and ability to move around, but my family have been denied such rights for the past 35 years. For 25 years, my wife was denied having her husband travel with her, but nobody seems concerned that elected representatives in the UK were forced into an intolerable situation or that those people inflicted that situation on our families. Many of my children grew up without their father being able to travel in the car with them. They grew up under a continuous threat and behind bulletproof windows and doors. That is how we lived our lives in Northern Ireland. I wish that hon. Members could live in the real world when they talk about these issues. That was the reality in Northern Ireland. Many people were happy to play along with Gaddafi whenever he was arming the Provisional IRA. They were lauding and applauding him, saying what a wonderful person he was, but of course they want to jump ship now because that does not really suit the international scene.

I am sure that no hon. Member desires to have these Prevention of Terrorism Act 2005 measures continued for one second more than is necessary, but necessity prevails and we have a duty to grant the Government the powers that are essential to deal with the threat. I remember travelling by aeroplane across the Irish sea whenever there was a bomb threat. I know what it is to land on the ground—thankfully safely—and immediately be evacuated from the plane, going down the chute, because of a bomb threat. There is nothing glorious about terrorism and I suggest that the House should be more concerned about innocent, law-abiding people than they sometimes seem to be about terrorists and their rights.

Sadly, there are those in the community who pose a real threat to public safety and unfortunately they cannot always be prosecuted or deported if they are foreign nationals. Such people not only pose a significant potential threat but seek to undermine the very fabric and stability of our society. There are those who suggest that if there is not sufficient evidence to prove such persons guilty of a crime they should not be detained even though they are perceived to pose a serious threat. I do not accept that argument. The burden of proof means that the high level of evidence needed to gain a successful prosecution may not always be available, but the Government have vital information and intelligence showing that those persons pose a serious threat to the safety of people residing in the UK. There has to be a series of measures available to those in authority who are charged with the important responsibility of providing safety and security for the people of the UK.

It is easy for some in society, and even in this House, to condemn the availability of such measures, but when something goes tragically wrong they are often the same people who readily criticise those in authority for not acting swiftly enough and who even call for heads to roll should mistakes have been made. It is very easy to sit on the sidelines and be an armchair general without having to make a life-or-death decision, but I suggest that Ministers will be faced with that reality in future as Ministers in the House now have been faced with that responsibility of high office.

We cannot stand idly by and let a potential threat go unchecked. Perhaps it is important for us and for me tonight to pay tribute to all those within the police, the armed forces and the intelligence services who are actively engaged daily in seeking to keep us safe. The House owes them a great debt of gratitude, and I wish to put that on the record.

Control orders are used only for a relatively small number of individuals and although this may not be ideal, in my humble opinion and without apology, I believe it is preferable to allowing terrorists to endanger the general public. Members have laid great emphasis on the fact that eight people were under detention orders. One successful terrorist—not eight—can leave a whole city, a whole community, a whole country in grief and wreak havoc upon family after family.

It is not my wish to detain the House any further. I support the Government in their desire to have a valuable tool available to be employed when necessary. My right hon. and hon. Friends and I will carefully examine what the coalition Government intend as a replacement.

8.6 pm

Mr Dominic Raab (Esher and Walton) (Con): It is a privilege to speak in the debate and to follow the hon. Member for South Antrim (Dr McCrea). I welcome the outcome of the counter-terrorism review. Ministers have been decisive in scaling back some of the more draconian aspects of the previous Government's authoritarian legislation, such as pre-charge detention and stop-and-search powers, and by tightening regulations in relation to surveillance.

The contentious debate that we are having on control orders should not obscure this welcome sea change in the overall approach. The tide is turning, and I commend the Minister for helping to bring about that change.

[Mr Dominic Raab]

Likewise, I recognise that Ministers are committed to substantial reform of the control order regime. The new powers will be significantly less offensive to basic principles of British justice than what we have now, but each half-step in the right direction raises the question of why we are not scrapping them altogether.

Under the regime that we are reviewing, the Home Secretary must have "reasonable grounds to suspect" an individual's involvement in terrorist-related activity before imposing a control order. Now the threshold will be raised to "reasonable belief". No one can deny that that is progress, but it still allows the equivalent of a criminal penalty to be imposed without a criminal conviction. There is no getting around that. It undermines the most basic principle of our justice system: innocent until proven guilty.

The two-year limit is a welcome recognition that a person not convicted of a crime should not be subject to intrusive restrictions indefinitely, but the orders are renewable, or they will be, which in the same breath undermines this element of the reforms. The fact that under the new system an order can be renewed if someone is engaged in further, different, terrorist activity while subject to its restrictions speaks volumes about the frailty of control orders as a means of public protection. I recognise that curfews are an improvement of sorts on virtual house arrest, a feature of the current regime, but as Lord Macdonald said in his report, curfews are still "disproportionate, unnecessary and objectionable".

Control orders are an affront to British liberty and justice, but—I make this point to the hon. Member for South Antrim—their relevance as a security measure for dealing with a threat on which we all agree is at best minimal. My hon. Friend the Member for Newark (Patrick Mercer) put it more eloquently. There are eight control orders in force. On the best numeric assessment, there are 4,000 terrorist suspects in this country. Use of the orders against that rising threat has halved. Overall, 15% have absconded. Between 2006 and 2009, £16 million was spent on the regime. That is without factoring in court costs or policing.

The new regime is intended to strengthen the duty to consider prosecuting controlees, but Lord Macdonald pointed out clearly and categorically that control orders are not just a poor substitute, but make prosecution more difficult. He said that the regime is

> "an impediment to prosecution… controls may be imposed that precisely prevent those very activities that are apt to result in the discovery of evidence fit for prosecution, conviction and imprisonment".

With that in mind, the House should note that the number of terrorists convicted in the past three years has not just fallen, but plummeted. The number of convictions has fallen off a cliff edge—90% in three years, according to the October statistics. Control orders cannot reverse that trend. As Lord Macdonald said, they just get in the way.

What is being done to address this pretty fundamental failing in the counter-terrorism strategy that the coalition Government, to be fair, have inherited? What is being done on plea bargaining, prosecutorial policy and intercept evidence? The Home Secretary has indicated that the review on lifting the ban on intercept will continue. Both Lord Macdonald and the current Director of Public Prosecutions, Keir Starmer, support lifting the ban. They say that it can be made to work effectively, as in virtually every other country in the world. However, Liberty has described the Government's efforts—I think it is a reference to official efforts—to grasp this important reform as "lethargic". Prosecution is vital. It is not some quaint commitment to legal tradition. In relation to the home-grown threat, suspects cannot be deported, so prosecution and incarceration is the only way to protect the public.

Mr Dodds: I am very interested in what the hon. Gentleman is saying and his emphasis on prosecution and incarceration. He will remember that his party and the Labour party, and indeed the House, voted to release terrorist prisoners who had been duly prosecuted and imprisoned for lengthy periods of time. It was decided that they should be let out, free from the severe punishment that had been meted out to them. That was a decision of this House. Does he now regret the decision to take that course of action, given what he has said about prosecution?

Mr Raab: The right hon. Gentleman makes a valid point. In fairness, that was in the context of an overall conflict resolution settlement. I was not a Member of the House at the time, but I pay deference to an important and valid point.

Richard Fuller: On my hon. Friend's point about the critical importance of prosecution, is he aware that many of the conditions that apply to control orders also apply to immigration bail conditions: relocation, restriction on communication and tagging, all without any charge and imposed indefinitely? Does he agree that it will be an omission if those restrictions in the conditions are not also considered for change in the review?

Mr Raab: My hon. Friend makes a valid point and is absolutely right that those restrictions should be considered.

My hon. Friend the Member for Newark made an important point about the significance of measures that we consider in this House. The political heat that the debate on control orders has generated over a number of years bears scant resemblance to their relevance as a security measure. In fact, that distracts us from grappling with a growing prosecutorial deficit, which in my view is one of the major problems we face.

There are other vital reforms that we should be grappling with but are not because of the political lightning rod of control orders. Most notably in my view, we should be reforming the Human Rights Act 1998 so that we can deport criminals and terrorist suspects more readily. I want to be clear that we would not necessarily deport them to face torture—I do not support that—but there has been an expansion in article 8 cases, which prevents deportation when it might disrupt family life; I currently have a constituency case dealing with that. That is a bridge too far and a result of judicial legislation. Some changes to the Human Rights Act would restore some balance in that respect.

The increasing fetters on deportation mean that we are importing risk, which is one reason why the previous Government resorted to so much authoritarian legislation in the first place. In deference to this Government, I welcome the fact that they are expediting the review on the Human Rights Act and the case for a Bill of Rights. That is an important piece of work and it should not end up in the long grass.

I support the Minister in his efforts, but I struggle to see the case for keeping alive this broken control order regime to limp on indefinitely when there is so much else that we can and should be doing to deport and prosecute those who threaten our country with terrorism.

8.14 pm

Dr Julian Huppert (Cambridge) (LD): Thank you very much, Mr Speaker, for calling me in this important debate. As we consider control orders and counter-terrorism, it is important to think of the context in which we make these decisions. It is a time of unprecedented flux in the middle east and in north Africa, and what we are seeing there is nothing less than the wholehearted pursuit of liberty. None of us can imagine what it must have been like to be part of the Egyptian revolution in Tahrir square, and none of us has experienced the oppression that Libyan protestors are currently suffering.

All of us are privileged to live in a country where, by and large, freedom has been established and protected for many generations, but it has been clear to many of us for a while that those cherished rights and freedoms have been under attack. The previous Government used the uncertainty created by terrorist atrocities to carry out a widespread squeeze on civil liberties, and they shamefully used fear as a political and electoral weapon. Even their party's leader, who is not particularly given to making statements about the dubious legacy left to this Government by new Labour, admits that they "seemed too casual" about civil liberties. He has not yet overcome his vagueness and set out a new and generally liberal path, although I hope that he will, and he certainly has not told either shadow Home Secretary whom he has so far appointed.

The coalition Government, however, are making progress—slow but steady progress—in their attempt to regain a better balance between security and liberty, and the counter-terrorism review was an important part of that programme. I am privileged to be a member of the Joint Committee on Human Rights, and I was involved in writing its report on control orders, which I hope Members have read. Along with the Committee, I welcome the review's conclusion that the current control order regime, which Labour put in place, is too intrusive and fails to demonstrate a commitment to the priority of criminal investigation.

Terrorism prevention and investigation measures are a step forward, and the system is different and better, although it is certainly not perfect, because, as many Members have already said, extra-judicial processes are simply not the right way to proceed. It is a shame that we do not yet have the replacement, and it is a shame of timing that we are not in a position to ditch control orders completely and pass the legislation on TPIMs. That is what I would like, and I have made that point in a number of places in the House. In fact, we should go further. We already have the concept of bail for people who have not yet been convicted of a crime, and that is the model we should use, not the control order regime. I hope that we continue with that thread.

I am concerned about what will happen in the next nine months if we agree to the order tonight. It seems illogical for the Government to ignore their own assessment of the weaknesses of the control order regime, but that is what is happening. A number of points have been made about Lord Macdonald's suggestion that the Director of Public Prosecutions should have a role in criminal investigation. I hope that the Minister will respond to that point, which others have made, and that he will be asked to look at each current controlee's case to see what is the right thing to do.

I am also concerned—in timing and in practice—about the Government's plan to make emergency legislation available for a stricter version of control orders, which would be introduced in an unforeseen emergency. Lord Macdonald described to the Joint Committee how huge such a disaster would have to be, and the Government say that they will share a draft of the legislation only with those on the Opposition Front Bench. That is wrong. The number of Members who are neither in the Government nor part of the Opposition Front Bench, but who would be interested in seeing such legislation, is very high. We would like to see it, and it should be scrutinised.

I find it hard to imagine what the need would be, but, if there ever were a need, I would like to know that Parliament had thought in the fullness of time about how the legislation would work, and had not made a rushed decision after a huge number of bombs had already gone off. I hope the Government will agree to let all Members see the legislation and go through the same process that they are going through for their emergency legislation on 28 days' detention.

There are a number of concerns about TPIMs in detail, and I have had the privilege of talking to people in the Home Office and raised the matter with the Prime Minister and the Home Secretary. On the measured transition that the Minister described, we know that the review described relocation as too intrusive and inimical to the possibility of prosecution. Will the Minister commit to leaving unused the power for relocation in control orders between now and the new TPIMs regime?

Similarly, can we shorten the curfew periods in control orders as we head towards the new TPIMs regime? I hope that we do not introduce just a shorter curfew. To me, an overnight residence requirement involves a requirement to live somewhere normally, and if I live somewhere normally that means I am typically there between 1 am and 3 am, that I am often there earlier or later, and that sometimes I will get up early and sometimes arrive home late. That, not a shortened curfew, is an ordinary residence requirement.

I hope that the Home Secretary will thoroughly review the current controlees to see how we can bring the regime into line with what we aim for in TPIMs, and as a first step towards getting rid of the whole system. I look forward to the Minister's comments and hope he will be able to reassure the many of us who wish to see even greater steps away from the abhorrent nature of control orders.

Mr Cash *rose*—

Mr Speaker: Order. Let me point out that I intend to give the Minister a 10-minute winding-up speech, so the hon. Gentleman has a brief opportunity to contribute if he so wishes.

8.19 pm

Mr William Cash (Stone) (Con): I am extremely grateful to you, Mr Speaker, as ever.

Having listened with great interest to hon. Members' speeches, I think it is perfectly possible to reconcile them all. With reference to the excellent speech by the hon. Member for South Antrim (Dr McCrea), the whole question of the realities of terrorism has to be dealt with in relation to whether people should, as the hon. Member for Islington North (Jeremy Corbyn) suggested, be given a proper trial. That is what I keep insisting on in my interventions, as I did in the debate that took place yesterday. These are the real freedoms. At the same time, I entirely agree with my hon. Friend the Member for Esher and Walton (Mr Raab), who makes extremely valuable contributions to these debates, and my hon. Friend the Member for Newark (Patrick Mercer). I also pay tribute to the hon. Member for Cambridge (Dr Huppert), which may surprise him a little.

All these things can be reconciled if, as the essence of my Bill on the prevention of terrorism proposes, we take out the overhanging shadow of the human rights legislation against which our legislation is constantly being tested. It is simple. We did not have a problem in the days when we ourselves decided on matters such as habeas corpus, fair trial and due process. It is not beyond the wit of our Parliament—in fact, it is the duty of our Parliament—to make proposals that meet all the different requirements. That can be done by sitting down, drafting a Bill, sending it to Committee and coming up with a reconciliation of all those different questions under one simple principle, to which the hon. Member for Islington North rightly referred—that people should be guaranteed the proper justice to which they are entitled when they are confronted with an accusation, whether they are suspected terrorists or serious criminals of a different order.

There may be a public emergency, which can be defined in various ways, in which it is absolutely essential that the Secretary of State, not the courts, should make the decisions, because ultimately the security of the nation has to be prescribed, as Lord Hoffmann clearly stated in a case called Rehman. Following that important judgment he was somewhat criticised by those who want to see a much more relaxed arrangement. National security has to be decided by Secretaries of State not by the judiciary, and once those decisions have been taken, the manner in which the legislation is interpreted by the courts follows.

I leave the argument at that point. We have a review. Let us stick to simple principles. Let us be sure that we give justice even to suspected terrorists, but not at the expense of the security of the state.

8.23 pm

James Brokenshire: I thank all right hon. and hon. Members for their contributions to this measured, considered and useful debate on a range of issues relating to combating and preventing terrorism. I, too, would like to put on record my thanks to the police service and the security services for all that they do in keeping us safe, keeping our constituents safe and keeping our country safe.

I will seek to address as many of the points raised as I can in the time available to me. I thank the hon. Member for Bradford South (Mr Sutcliffe) for the support that he is giving to the renewal of this order on a temporary basis until the end of this year. I hope, notwithstanding his comments, that he may be minded to support the important measures that we will introduce on TPIMs. We think that those measures are an important step in bringing forward measures that are less intrusive, with more clearly and tightly defined restrictions. I note that the hon. Gentleman sought to have some political fun, but the serious point is that the review of our terrorism and security powers was about trying to do the right thing for our country, for its security and for our civil liberties. The Prime Minister has made it clear that we will not do anything that puts our national security at risk.

The hon. Gentleman made a number of other points. As for the timing, we will try to introduce the replacement legislation at the earliest opportunity, but we want to get the technical issues right; he will appreciate the legal issues. It is therefore important that we make the revised proposals at the appropriate time after that work is concluded. I reiterate what I said in my opening speech: we want to ensure that there is proper scrutiny by this House of the provisions. He will recall that the provisions on control orders were brought forward in an expedited fashion, and perhaps did not receive such scrutiny and investigation. We believe it is important that that should take place.

Jeremy Corbyn: Does that include pre-legislative scrutiny of the proposed Bill?

James Brokenshire: The Bill will be brought forward and scrutinised in the usual way. I think that the hon. Gentleman may be referring to the draft Bill on the enhanced TPIM provisions, which the hon. Member for Bradford South highlighted. When this matter was raised with Baroness Neville-Jones by the Joint Committee on Human Rights, she said that she would take it away and give it further consideration. We are considering it further.

Hon. Members have asked whether the Security Service is content with the outcome of the review. The Security Service played a full role in the review and provided it with all the facts and assessments required. The director general of the Security Service told the Home Secretary that he was content that the replacement measures and mitigations balanced the risk of the abolition of control orders. I note that the Joint Committee sought the publication of a summary of the views of various agencies and organisations. Again, Baroness Neville-Jones undertook to consider whether such a summary could be produced, but noted that some of the contributors to the review would have views on whether they wished all their evidence and views to be made public, and that it would be necessary to consult on that. We are considering that position further in the light of those statements.

I thank the hon. Member for South Antrim (Dr McCrea) for his impassioned and very personal contribution to the debate. Anyone who was here and who listened to it will have felt his comments keenly. The threat from Northern Ireland-related terrorism is significant, and it is vital for the UK's terrorism legislation framework to be capable of dealing with it. Evidence from Northern Ireland was taken account of as part of the review, and the Home Secretary has discussed the review several times with the Secretary of State for Northern Ireland. I assure the hon. Gentleman that we take security in Northern Ireland extremely seriously. I know that the Minister of State, Northern Ireland Office, who is on the Front Bench, would endorse that view in relation to the work of his Department.

I have been asked about cost. The control orders regime cost the Home Office £12.5 million between 2006 and 2010. We will provide sufficient new money for the Security Service and the police to take the mitigating actions that they have identified as necessary.

Other points have been made about the Joint Committee report published this morning. Quarterly reviews are undertaken of the conduct of individuals who may be subject to control orders, the prospects of prosecution and the prospects of gathering evidence that could be used to prosecute. Those are formally reviewed by the relevant authorities on a quarterly basis. This issue is examined further and followed through in that way. I reiterate that it is our priority to get individuals into court on appropriate charges. That is the commitment that the Government have always made.

Some questions were asked about special advocates. As part of the counter-terrorism review, we received a contribution from the special advocates. On 6 July 2010, as part of the package of measures on detainees, the Prime Minister announced a Green Paper on the use of intelligence in judicial proceedings. This will aim to develop a framework for ensuring full judicial and non-judicial scrutiny of intelligence and wider national security activities in line with the Government's commitments to individual rights and the rule of law, and to protecting national security properly. The Green Paper will need to include consideration of the key concerns that have been expressed about the operation of the special advocate system. We will ensure that the system remains compatible with human rights. We will consider this matter along with the Committee's other recommendations, and we will respond formally to its report in due course.

Some questions were raised about the use of intercept as evidence. There is an ongoing programme of work on assessing the likely balance of advantage, cost and risk involved in a legally viable model for the use of intercept as evidence, compared with the present approach. Our intention is to provide a report back to Parliament during the summer.

This has been an important debate. We are replacing the control orders with a new, less intrusive, more focused system of terrorism prevention and investigation measures, but we wish to see a safe and managed transition to the new system. This means that, until the new system is in place, we need to retain the control order powers in order to avoid a gap in protection for the public, which is clearly the primary role of the Government. I therefore hope that the House will support the motion.

8.32 pm

One and a half hours having elapsed since the commencement of proceedings on the motion, the Speaker put the Question (Standing Order No. 16(1)).

Question agreed to.

Resolved,

That the draft Prevention of Terrorism At 2005 (Continuance in Force of Sections 1 to 9) Order 2011, which was laid before the House on 3 February, be approved.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

ENVIRONMENTAL PROTECTION

That the draft Offshore Petroleum Activities (Oil Pollution Prevention and Control) (Amendment) Regulations 2011, which were laid before this House on 10 January, be approved.—*(Jeremy Wright.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

That the draft Offshore Chemicals (Amendment) Regulations 2011, which were laid before this House on 10 January, be approved.—*(Jeremy Wright.)*

Question agreed to.

EUROPEAN UNION DOCUMENTS

Motion made, and Question put forthwith (Standing Order No. 119(11)),

AUDIT POLICY

That this House takes note of European Union Document No. 15274/10 and Addendum, relating to a Commission Green Paper on Audit Policy—Lessons from the Crisis; and supports the Government's approach to work closely with the European Commission to deliver an effective framework for audit as part of a corporate governance regime and to promote national solutions to these issues, where appropriate, rather than seeking legislation at EU level.—*(Jeremy Wright.)*

Question agreed to.

PETITION

Youth Inclusion Programme (Bristol)

8.33 pm

Stephen Williams (Bristol West) (LD): This petition was presented to me after a visit to the Catch 22 project in the Barton Hill area of my constituency, which is the most deprived ward in the city of Bristol, and one of the most deprived wards in the south of England.

The petition states:

The Petition of residents of Bristol,

Declares that, after nine years of working with the families and young people of East Central Bristol, there is now a real risk that the East Bristol Youth Inclusion Programme will not have its funding renewed; and notes that the Petitioners believe that this cut will have a negative impact, not just on local young people, but also on the wider community.

The Petitioners therefore request that the House of Commons urge the Government to ensure that money for preventative work remains ring-fenced, so that young people can be given the necessary support to remain out of the youth justice system, and live fulfilling and empowered lives.

And the Petitioners remain, etc.

[P000891]

Trawlermen's Pensions

Motion made, and Question proposed, That this House do now adjourn.—*(Jeremy Wright.)*

8.34 pm

Alan Johnson (Kingston upon Hull West and Hessle) (Lab): The purpose of the debate is to bring to the attention of the House and the Minister a scandal involving the maladministration of a pension scheme that has left thousands of distant water trawlermen who reached retirement age up to 30 years ago without a penny of the pension to which they contributed, and thousands more unlikely to receive their pension in future. I am pleased to be joined this evening by hon. Members who represent port constituencies, such as my hon. Friend the Member for Tynemouth (Mr Campbell), the hon. Member for Banff and Buchan (Dr Whiteford) and my hon. Friends the Members for Kingston upon Hull North (Diana Johnson), for Kingston upon Hull East (Karl Turner), for Scunthorpe (Nic Dakin) and for Great Grimsby (Austin Mitchell).

I shall set the context. Distant water trawlermen worked in the most arduous and hazardous occupation imaginable, working 18-hour shifts in Arctic waters where temperatures could fall as low as 40° below freezing. In 150 years of distant water trawling from Hull, which was exclusively a distant water port and the biggest in the world, 900 ships were lost at sea—that is six a year—and 6,000 trawlermen were killed. The mortality rate was 14 times higher than in coal mining.

When the industry collapsed as a result of the agreement between Britain and Iceland that ended the so-called cod wars in 1976, a Government Minister, from the Dispatch Box, promised the men compensation, retraining and redeployment. They received nothing. Classified as casual workers, they were thrown on the scrap heap. While the trawler owners were paid millions of pounds in decommissioning grants, not a brass farthing was paid to the trawlermen themselves. That injustice was belatedly rectified by the compensation scheme that the previous Government introduced in 2000, although one aspect of it is still outstanding, and my hon. Friend the Member for Great Grimsby and I have referred it to the parliamentary ombudsman.

As we worked with the ex-trawlermen to achieve that compensation, a number of them referred to a pension scheme that operated in the industry. Some men over 50 had been allowed to commute their pension to a one-off payment, to alleviate the hardship that they suffered as the industry collapsed, but many men said that they could not remember receiving anything from the scheme, even though they were now well beyond pensionable age.

I ascertained that there was indeed a fishermen's pension scheme, which had been established on 1 April 1961 by a trust deed made on 19 December 1960 between British Trawlers Federation Ltd and Lowndes Associated Pensions Ltd. The scheme was compulsory for those coming into the industry after the date of its introduction. It was a contributory scheme, with the men originally paying sixpence per sea day and the employer ninepence. I add that that is old pence, as a few Members will not remember the conversion to decimal currency, so those sums were 2.5p and 4p respectively. Contributions to the scheme ceased in 1979, and benefits ceased to accrue. The benefits accrued up to the date of discontinuance were secured by a group deferred annuity contract underwritten by Norwich Union, which is now Aviva. Capital Cranfield became the trustee when it acquired Lowndes in April 2000.

Having established those facts, I wrote to Aviva in 2006 to find out whether any pensions remained unpaid. My impression was that there might be about 100 such cases. By 2007, I had discovered the full horror story of a scheme in which few records had been kept and no efforts had been made to track down the men whose pensions were due. More than 4,500 trawlermen from Hull, Grimsby, Aberdeen, Fleetwood, Milford Haven and North Shields had reached pensionable age from the 1980s onwards without receiving the pension that they were due. About a quarter of them were from Hull.

The reason for that disgraceful maladministration was that the only record kept of members was their surname, initials and date of birth. There was no record of the men's national insurance numbers, their addresses or any other pertinent information by which they could be traced. There had been no attempt to rectify the situation and nobody in the communities affected was alerted to the problem, least of all the MPs. The unpaid pensions simply remained in the fund while many of the men affected lived out their old age in penury.

Aviva, the insurer, had been paying benefits—or more accurately not paying benefits—without the intervention of the trustees since 1986, at the request of the then trustee, Sedgwick Noble Lowndes, which, as I said, is now part of Capital Cranfield. That in itself seems a strange arrangement and one that neither party should have allowed.

As well as the 4,500 men who had reached pensionable age, there were 8,879 still below 65 with little prospect of receiving their money as they became eligible. Since I wrote to the then Secretary of State for Work and Pensions and the Pensions Regulator in January 2007 to alert them to the scandal, a great deal of effort has gone into finding the missing fishermen.

Aviva has worked with local MPs on the Find the Fisherman campaign, which we agreed should run for two years. At the end of that time, in October 2009, Members of Parliament met Aviva and Capital Cranfield to take stock. Aviva, in its briefing note for this debate, talks about unclaimed assets being "common across the industry" and, after setting out details of the Find the Fisherman campaign, states that "some members remain unpaid".

For "some", read 6,837. That is the figure that we were given for the men who had not been—and probably never would be—traced at the end of the campaign. That is more than half the scheme membership. Perhaps the Minister will tell me whether he believes that that level of unclaimed assets is at all "common across the industry".

With my hon. Friends the Members for Great Grimsby and for Aberdeen North (Mr Doran) and my former hon. Friends the Members for Cleethorpes and for Blackpool, North and Fleetwood, who also attended the meeting with Aviva and Capital Cranfield in October 2009, I put forward proposals that would allow the schemes to be wound up fairly.

First, we would need to agree how to distribute the surplus in the scheme coffers. At that time it was £2 million, although I heard this morning that Capital Cranfield is saying it is £1.3 million. The disparity has yet to be explained to us.

Secondly, provision needs to be made for unidentified beneficiaries who may come forward in future. Thirdly, we sought payment to the 50-odd families for whom payment is disputed. Those are cases in which Aviva says that the money has been paid, usually in the 1980s, but it has no proof of payment and the families are adamant that it was never received.

In that respect, let me explain how the payment system worked as described by the chief executive of Aviva in a letter to one of my constituents:

> "When an employer wanted to claim a pension on behalf of one of his employees he would make an application to the Royal National Mission"—

the seaman's mission—

> "who acted as an intermediary and would in turn apply to Norwich Union on behalf of the employer. Norwich Union would verify the details against the policy and authorise a payment to be made to the Mission who would then pay the employer so they are able to pass the money on to the individual fisherman".

He goes on:

> "I appreciate this will appear unnecessarily complex but, rightly or wrongly, this is how payments were settled in the past".

I think that we would all agree that it was "wrongly".

A scheme with no national insurance numbers and no addresses relied on trawler owners, who were gradually disappearing as the industry was in terminal decline, to go through the seaman's mission—which incidentally informed Norwich Union, as it was then, 12 years ago that it did not have the resources to undertake this work—to give cheques to men who in the main did not have bank accounts.

Jim Shannon (Strangford) (DUP): From my knowledge of the fishing industry and how it works, I would say that sometimes fishing organisations that represent the people have a record of their membership. I am sure that that has been checked, but if not, it may be a method, even at this late stage, of getting a wee bit more information.

Alan Johnson: I appreciate the hon. Gentleman's suggestion. He is right—records are kept. We have looked at all those possible avenues, including the DWP's tracing arrangements and the former Department of Trade and Industry's records of trawlermen. We have exhausted every avenue to try to find those men.

Perhaps the Minister will understand why we say, given the convoluted way in which the payments were made, that the benefit of considerable doubt in disputed cases should rest with the men and their families.

Our final proposal concerns recompense. We feel strongly that some compensation should be paid to the men and/or their communities for the appalling way in which the scheme has been administered.

The trustees and the insurers had a financial and moral responsibility to scheme members, which they failed to fulfil. The way this scheme operated would have shamed an office sweepstake organiser. The fact that the men whose interests they should have safeguarded did one of the most difficult and dangerous jobs imaginable, and in the main spent their old age scraping for every penny while money that could have eased their plight was never paid to them, adds to the sense of injustice within those proud communities.

Since October 2009, we have been fortunate to have the services of a pensions expert from Thompsons solicitors working pro bono on our behalf to try to bring the arrangements discussed then to a successful conclusion. Seventeen months later, there has been little progress, and no further approaches to the port MPs by Aviva or Capital Cranfield to resolve the outstanding issues.

In the absence of any ex-trawlermen or anyone from the affected communities among the trustees, I believe it is incumbent on Aviva-Capital Cranfield to seek the approval of the port MPs for the final arrangements to wind up these schemes. Perhaps the Minister will tell us to whom those are companies answerable. I understand that they are proposing to agree their own fees for the wind up—the money will come from the scheme. There must surely be some external oversight of those arrangements.

The port MPs wish to meet the Minister to explore the issues surrounding that scheme and smaller associated schemes in more detail, and we think that it would be beneficial to have the Pensions Regulator present. Surely he must have a role in ensuring that the schemes are wound up in an orderly and timely fashion, with the interests of the members properly protected.

We seek from the Minister nothing beyond his understanding of how badly this scheme has been administered and his assistance in bringing this long saga to a conclusion that is acceptable to port MPs, as virtually the only remaining representatives of those fishing communities. We seek no public money and no taxpayer contributions.

Finally, I ask the House to imagine the outcry there would be if thousands of bankers, civil servants, or even former MPs had been treated in such a way. That would be a huge story that we would be following regularly in the national media. This has been an almost silent scandal, but this evening's debate will, I hope, bring it to the attention of a wider audience in the quest for justice for communities who contributed so much, sacrificed so many and yet were treated so abysmally.

8.47 pm

Austin Mitchell (Great Grimsby) (Lab): I congratulate my right hon. Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson) on securing this debate and on the fight he has put up, and indeed initiated, on behalf of the fishermen. Icelandic fishing finished in 1976, and the middle water fishing that went out of Grimsby finished in the '80s with the laying up of the cat class British United Trawlers vessels, and the industry has been in abeyance as a powerful force since. It is a tragedy and a scandal that this matter has not been cleared up, so many years after the death of the distant water fishing industry. We are also still fighting for compensation for fishermen who did not receive it under the two schemes operated by the Labour Government.

The fact is that the pension scheme was appalling. It was badly administered and badly run, and the fishermen were treated with total contempt by the owners. The

[Austin Mitchell]

owners had to set up a scheme, but set up the meanest scheme possible. It was run inadequately first of all by Lowndes, which became Noble Lowndes. It then passed in a series of shuffles to General Accident, and finished up with Norwich Union, which promptly changed its name to Aviva.

My attempts to grapple with the problem began in the early '80s. Some people were allowed to withdraw their pensions, but some were refused. I took up some of the more difficult cases with the Office for Pensions Administration, which investigated the scheme and found that the records were in an appalling state. The company did not know to whom it was due to pay pensions. It had no records of their addresses or dependants, and it made no attempt to contact them to say that there was money to be collected on their behalf. It was not until pressure was brought to bear by my right hon. Friend, working with the fishing port MPs, that we got a response. To be fair, Norwich Union, and subsequently Aviva, has done its best to contact those concerned, working with the mission and the port MPs, and putting adverts in local papers. A large number of people have come forward to make claims, but, as my right hon. Friend has said, there remains a substantial number who have not been found who are still owed money—substantial sums in some cases; small sums in most cases—by the scheme.

The time has come for the scheme to be wound up and for the Minister to exercise whatever power he has. It is time for the company, working with the fishing port MPs, to wind up the scheme. We have decided that the money could best be paid to fishing charities, to support fishing families in desperate need. That would be a fair use of it. However, after all this time, the company owes us the decency of adding a substantial sum in compensation to the sums already in scheme to be wound up, because here we are, after 34 years, still arguing for justice for the fisherman. That could have happened to no other section of our society. It is appalling that we have to do this, but let us now get it done. Let us get this monstrous scheme wound up.

8.51 pm

The Minister of State, Department for Work and Pensions (Steve Webb): It is common courtesy, simply as a matter of routine, to congratulate the Member who has secured a debate, but in this case I sincerely congratulate the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson), because he has a track record of campaigning on this issue over a number of years. I looked at some of the articles on his website, and I recognise that he and other right hon. and hon. Members have done an important service to their constituents and the trawlermen. He spoke powerfully and evocatively about the lives that they led and their quite proper demand for justice.

I pay tribute to the right hon. Gentleman for that work and for, as he said, giving a voice to what has to some extent been a silent campaign. I must admit that when the titled "Trawlermen's pensions" came out of the hat, I raised an eyebrow and wondered what the subject was. As I have read up on the issue and as my officials have provided me with briefings, I have been quite startled by, as has been said, the shoddy record keeping of the various schemes right from the beginning. It seems incredible to think that a pension scheme could have just a name, an initial and a date of birth—for example, "Smith, J., 1920", or whatever. It just seems hopeless.

It was clearly a different world back then. We did not have the Pensions Regulator, a pensions ombudsman, the Pensions Advisory Service or the pension tracing service. A lot of those institutions have come about partly to ensure that such situations do not arise again. I want to talk predominantly about the trawlermen and their situation this evening, but I should also say that good record keeping in company pension schemes has not completely gone away as an issue. Even this year, the regulator has been doing more work to ensure that schemes keep proper records. I would like to use this opportunity to reiterate the vital importance both of schemes keeping proper records—something that the trawlermen's case demonstrates—and, if records are not in order, of doing something now to put them in order to avoid a recurrence of anything similar.

Let me draw together where we are now and where we go from here. I recognise that in the limited time available I might not be able to cover all the detail that I would like to, so let me say that I would be more than happy to meet the right hon. Gentleman and his colleagues to discuss how we might take matters further, although I do have an update for him of where we have progressed things in the interim.

We are talking about five schemes, all of which are now administered by Aviva. One confusing aspect of this situation is that the schemes have traded under different names at different times. The principal scheme is the fishermen's pension scheme, which had around £1.3 million of assets as of June 2010, as the right hon. Gentleman said—obviously these things fluctuate—and around 4,800 remaining members, but there are four others: the Fleetwood fishermen's scheme, the Scottish trawler fishermen's pension scheme, the Fairtry pension scheme and the Hull fish merchants' pension scheme. The right hon. Gentleman talked about tuppence-ha'penny and fourpence going in, but what is unusual about those schemes is that, essentially, the amounts coming from them are in many cases not pensions at all, but lump sums of, say, £300 or £400. This leads to confusion about where some of the money has gone. If someone was told that they were paid a pension but they said that they were not, it would be obvious and easy to decide, but on the whole we are talking not about pensions but about a right to a small amount relative to a lifetime of pension receipt. In the past, those amounts were often paid as lump sums.

Alan Johnson: I am grateful to the Minister for giving way and for agreeing to a meeting. The amounts involved average £600, and, as with any average, many of the amounts are higher. The people involved did not have bank accounts, and when the battle rages about disputed payments—there are about 53 cases—it is important to recognise that fact. One of my constituents, unusually, had a bank account in the 1980s and he was able absolutely to prove his case. Aviva said it had sent the money via the seaman's mission and the employer so that it eventually ended with him, but he was able to prove from his bank account that the money had not arrived. In the one case where there is any proof, we can see that it clearly supported the side of the trawlermen and their families. That is why we say that people should be given the benefit of the doubt.

Steve Webb: One issue that I know has been suggested to the right hon. Gentleman in the past, but as far as I am aware has not so far been taken up—he will correct me if I am wrong—is how far the pensions ombudsman could be used for this purpose. There are issues of cases being out of time, but it might be worth considering whether the pensions ombudsman can provide a route to resolve some of the disputed cases. It is an issue that we could discuss further.

The right hon. Member for Kingston upon Hull West and the hon. Member for Great Grimsby (Austin Mitchell) stressed the need to wind the schemes up as soon as possible. One problem has been the absence of trustees and the difficulty of tracking people down. I asked my officials to speak to the Pensions Regulator on that very subject. As the former Secretary of State will know, the regulator is operationally independent of the Department and therefore cannot be told what to do by me, although I am sure that he is doing his best for the trawlermen.

We spoke to the Pensions Regulator's office today to find out the latest information and to try to ensure that things move forward as quickly as possible. The regulator confirmed that he expects Capital Cranfield to be appointed to the other three schemes where it is not already the trustee. I understand that the appointments are imminent. Capital Cranfield will be in a position to resolve issues quickly, and I certainly hope that it will do so.

I should add, given that the hon. Member for Great Grimsby asked about costs and charges, that Capital Cranfield has confirmed that it is willing to take on the trusteeship of the additional schemes at no charge. The regulator is taking all urgent steps to get the trustees in place quickly—within weeks. I hope that getting those trustees in place and getting the schemes dealt with by a single trustee will represent an important step forward. My impression from the briefing provided by Capital Cranfield is that the lessons learned from the biggest scheme can be applied quickly across all schemes to bring these matters to a satisfactory conclusion.

The decision about what should happen to the balance of the funds is important. The right hon. Gentleman will appreciate that this issue is governed by a number of factors—fundamentally, trust law and tax law. There are formidable barriers to taking money from a pension fund under trust law for which tax relief and so forth is given. There is quite a web—if you will pardon the phrase, Mr Speaker—of complex legislation surrounding the use of that money for an entirely laudable purpose, but one that is different from the trust's original purpose. I believe that Capital Cranfield has looked at that option and I know that the right hon. Gentleman is in dialogue with it. I would be happy to discuss it further with him when we meet, but I place on record the fact that there is a significant barrier to that approach.

Very much prompted by the right hon. Gentleman's efforts, Aviva undertook the Find a Fisherman exercise. I understand that one further exercise is being undertaken to try to track down those who might not have made claims. This uses a service known as Assets Reunited and it is used to track down any people not already found. It is a dwindling exercise, but I am pleased to hear that this ongoing effort is being made.

The right hon. Gentleman asked to whom the companies involved are answerable. There is a sequence. They are answerable initially to the members of the scheme, who have some representation—typically they are represented by the trustees, although the position varies—and are then answerable to the regulator. The regulator is becoming very involved, and I welcome the work that it has already done. In the event of maladministration, that is where the pensions ombudsman comes in. I should be happy to discuss with Opposition Members the scope for involving the ombudsman, particularly in the disputed cases.

I understand that the overall sum that we are discussing is about £1.7 million across the five schemes, and, as we have heard, there are between 6,500 and 7,000 untraced members. Given that the record keeping was so poor, it is not surprising—although entirely to be condemned—that it has been impossible to trace half the members involved. It is reasonable to assume that, thanks to the efforts of the Pensions Regulator to improve record keeping, the failure to find members will not be repeated on the same scale. As I have said, the problem does not occur as much in large, well-run schemes, but one of the features of pension funds is a very long tail. In many very small schemes record keeping may not be particularly good, and problems not dissimilar to this may well have arisen in other schemes. As was pointed out by the hon. Member for Great Grimsby, over a period the assets of the schemes and member records have passed through various companies owing to corporate amalgamations and acquisitions, which has increased the difficulty of tracking people down and finding out what has happened to the money.

Capital Cranfield has expressed the hope that matters will be pretty close to resolution by, certainly, the end of this year. I know that the right hon. Member for Kingston upon Hull West and Hessle has been involved in the issue for about four years, but these schemes were set up 50 years ago, and it has been a long saga. I entirely agree with the right hon. Gentleman that the sooner we can resolve the matter and convey the money to the people who should have it, the better.

There is also the question of the balance of the fund. I shall leave aside for the moment the idea of an alternative charitable or other use. In the normal sequence of events, part of the balance would be used to buy a deferred annuity for any deferred member who might no longer be a trawlerman—presumably that applies to pretty much all of them now—and who had not yet reached pension age within the scheme: in other words, to buy a product that would match the pension promise made to that scheme member. That would be the first call on the funds, but a second possibility would be the purchase of an insurance policy. If new members turned up after the scheme had been wound up, the policy would pay out and they could also make a claim.

If, after all that, there was a surplus in the fund, it would be a matter for the trustees and the administrators to consider how the money is allocated. I understand that the most straightforward option available—although it is a matter for them, not for me—is to allocate the money to the people who are still members of the scheme. One of the questions that I have asked when we have discussed the matter in the Department is whether it would be possible to pay it to the people who had

[Steve Webb]

received the lump sum some years ago, but in many cases that money was paid and those people cannot be traced.

I congratulate the right hon. Member for Kingston upon Hull West and Hessle on raising an important issue of injustice. I am happy to commit myself to working with him and with the Pensions Regulator to try to bring the matter to a satisfactory conclusion.

Question put and agreed to.

9.3 pm

House adjourned.

House of Commons

Thursday 3 March 2011

The House met at half-past Ten o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

CULTURE, MEDIA AND SPORT

The Secretary of State for Culture, Olympics, Media and Sport was asked—

Creative and Leisure Industries

1. **Stella Creasy** (Walthamstow) (Lab/Co-op): What steps his Department is taking to promote jobs and growth in the creative and leisure industries. [43630]

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): The creative and leisure industries are vital to our economic growth. For the creative industries we have announced plans to give Britain the best superfast broadband network in Europe by 2015, and for the leisure industry we have announced a plan to attract 2 million more tourists to the United Kingdom over the coming years.

Stella Creasy: This week we have seen the benefits of investment in the UK film industry, and the presentation of the Oscar awards. I am sure that we all wish to congratulate the winners. We have also observed this week that many people are concerned about the future of the British television industry following decisions about the future of monopolies in the industry. Will Ministers learn from the experience of the film industry, and consider what could be done through tax breaks to encourage television production in this country?

Mr Hunt: I echo the hon. Lady's comments about the Oscars. I know that the whole House will wish to send warm congratulations to Colin Firth, Tom Hooper and all those involved in "The King's Speech" on their four Oscars, to the visual effects team who worked on "Inception", and to Christian Bale on his role in "The Fighter".

I agree with the hon. Lady that the British film industry is a great success story, but the British independent television sector is a huge success story in its own right without the aid of tax breaks. It is the biggest independent television sector in Europe and north America, and possibly in the world. I think that it is doing really well. There are always ways in which we can do better, but this is the first time that I have heard anyone say that such a successful industry needs additional tax breaks.

Alun Cairns (Vale of Glamorgan) (Con): Local television offers an exciting opportunity to all parts of the United Kingdom, both socially and economically. What action is the Secretary of State taking to ensure that that becomes a reality, especially given that the interleaved licence has already been sold off in Manchester and in Wales?

Mr Hunt: I thank my hon. Friend not just for his question, but for his sustained interest in the importance of local television, particularly in Wales. I was especially pleased to learn that Tinopolis, a Welsh independent production company, had expressed interest in running a new local television network channel.

The answer to my hon. Friend's question is that we must look at the spectrum that is available, and see whether we can find a way of attracting bids for it from a new generation of local television companies. I believe that the local television industry could become a brand-new successful, profitable, dynamic creative industry, creating thousands of jobs for this country.

Mr Ivan Lewis (Bury South) (Lab): I think that the Secretary of State is aware that "The King's Speech" was funded by the Film Council, which he has just abolished.

As the Secretary of State has said, the creative industries are a great British success story: apart from financial services, they are the biggest driver of United Kingdom jobs and growth. He was bullish in serving up cuts to the Treasury. What leadership will he provide to produce a jobs and growth strategy for our creative industries?

Mr Hunt: First, let me correct something that the hon. Gentleman said. "The King's Speech" was funded with lottery money. Thanks to the coalition Government's lottery reforms, lottery money for the film industry will increase by 60% over the period of this Parliament. What we are questioning is whether that money should be distributed by a quango which pays eight people more than £100,000 and three people more than the Prime Minister.

Let me tell the hon. Gentleman about a few things that we have done. We have secured an additional £530 million to give Britain the best superfast broadband network in Europe. We have announced plans to make the Olympic park into a new east London tech hub. We have reduced corporation tax, and we have got rid of Labour's jobs tax. All those things are vital to the creative and digital industries, many of which are small companies.

Mr Lewis: The Government have increased VAT, which is destroying our tourist industry. The Secretary of State is clearly living on a different planet. Broadband roll-out has been delayed. There has been no progress on the Digital Economy Act 2010. We have a broken promise on tax breaks for the video games industry. BBC cuts will have an impact on original content. All that is happening at a time when other countries are increasing their support for creative industries.

Will the Secretary of State show some leadership in two specific ways? We are willing to work with him if he will bring forward the new communications Act from 2015 to 2012 or 2013 at the latest; and will he establish a cross-Government taskforce, chaired at Cabinet level, to produce a jobs and growth plan in partnership with creative industries over the next 12 months?

Mr Hunt: Let me tell the hon. Gentleman the leadership I have been showing. His Government safeguarded £200 million for superfast broadband; we have increased that to £830 million. His Government had no strategy for the tourism industry; we persuaded the industry to contribute £50 million of match funding to draw an additional 2 million visitors to the UK. We are also working hard to implement the Digital Economy Act, as we think the principles behind it are important, but it is very difficult to implement because many of its measures did not get proper parliamentary scrutiny as the hon. Gentleman's discredited Labour Government rushed it through Parliament in their final dying days.

Tourism

2. **Esther McVey** (Wirral West) (Con): What assessment he has made of the role of tourism in stimulating economic growth. [43632]

7. **Mr Aidan Burley** (Cannock Chase) (Con): What assessment he has made of the role of tourism in stimulating economic growth. [43637]

10. **Amber Rudd** (Hastings and Rye) (Con): What assessment he has made of the role of tourism in stimulating economic growth. [43640]

13. **Jeremy Lefroy** (Stafford) (Con): What assessment he has made of the role of tourism in stimulating economic growth. [43643]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (John Penrose): We have made an assessment, and we believe the picture is particularly good. We believe the tourism industry can achieve projected growth of 150,000 new jobs, and £34.5 billion extra gross value added by 2020. I intend imminently to publish a statement of Government policy, which will set out how we will work with the industry to support our economic growth objectives.

Esther McVey: Last year, tourism was worth £2.8 billion to the Liverpool city region. It is crucial to our region, and it is also a growing sector of our industry. Literature is part of the tourism offer, and as today is world book day and, as I speak, Frank Cottrell Boyce and a team of kids from Merseyside are on their way down to Euston with a local charity, the Reader Organisation, will the Minister extend his gratitude to the charity for the dynamic work that it is doing?

John Penrose: I am delighted and happy to praise both world book day and the Reader Organisation. The role of the creative arts in Liverpool's regeneration and recent economic growth is undoubted, and the city got off to a brilliant start in 2008, when it was the capital of culture.

Mr Burley: One of the greatest tourist attractions in my constituency is the historic woodland of Cannock Chase, which *The Times* recently ranked as the best forest in the country for mountain biking. The newly created independent panel set up to consider the future of forests can give Cannock Chase the status of "heritage". Does my hon. Friend agree that such labels are important in encouraging tourists to visit destinations and spend their pounds there?

John Penrose: I do agree. Britain's heritage of all kinds—including both natural and built environment—is a tremendously important reason why people visit destinations in our country, both from abroad and as internal tourism, and it will only be to our strength and advantage if we can increase that offer still further.

Amber Rudd: The first annual May day bank holiday is very important to my town of Hastings, as we attract more than 20,000 visitors and £5 million in revenue. We are therefore very concerned about the consultation on moving this bank holiday. Will the Minister accept a petition to consider abandoning the proposal—which already has over 1,000 signatures—from me, together with a few morris men and our Mad Jack from Hastings?

John Penrose: I particularly look forward to meeting the morris men from Hastings, and I will, of course, be delighted to accept the petition. I should just reassure my hon. Friend that any proposals that are produced are not preferred Government outcomes; they are genuinely options for consultation, and the Government have no preconceptions about any potential solution.

Jeremy Lefroy: Every year at Stafford castle in my constituency there is an excellent outdoor Shakespeare production, which also makes a fair contribution to the local economy. Will the Minister encourage both the national and the new local television stations to make it a priority to bring such productions to a wider audience so that people may be persuaded to come and enjoy live productions?

John Penrose: I am sure that my hon. Friend will understand that, rightly, Ministers cannot direct broadcasters to broadcast particular programmes, although I understand that they are under a duty to include both arts and regional programming. However, I should have thought that it would obviously be a good thing for all concerned, including local performers and the local tourism industry, for such events to be showcased. We have already mentioned some of the benefits enjoyed by places such as Liverpool, and I am sure others will want to share in that success.

Mr Denis MacShane (Rotherham) (Lab): If we want tourists to come to Britain, can we give them a slightly better welcome? Arriving at terminals 1 or 3 at Heathrow is like arriving in a third-world slum—it is easier to get into Pakistan or North Korea. There are very surly, disagreeable officials and horrible 1970s collectivist architecture. Can we brighten up this gateway to Britain? Will the Minister talk to the Transport Minister about that?

John Penrose: I will leave aside the Foreign Office's doubtless immediate response to try to repair relations with the countries that the right hon. Gentleman has just mentioned. I agree, however, that we as a country need to do more to make our entry ports more welcoming to foreign visitors, and to British people returning from abroad, and we are currently actively considering a number of measures.

Alison McGovern (Wirral South) (Lab): Young people in Merseyside tell me that they are keen to take up jobs in the tourism, culture and creative sectors. Will the Minister tell me what measures he has asked the Chancellor to include in the Budget to help young people take up apprenticeships and other such opportunities in this fast-growing sector?

John Penrose: I am sure that everybody here will understand that if I did reveal what I have asked to be in the Budget, I would be summarily flayed by people in the Treasury, for rather understandable reasons. What I can tell the hon. Lady is that we regard the building of skills in the tourism industry as of paramount importance. There is an acknowledged shortcoming in some parts of our tourism industry, but there is a huge opportunity to demonstrate to people—if we get it right—what a great career path the industry can offer.

Hugh Bayley (York Central) (Lab): York's museums and mediaeval buildings draw thousands of tourists to the city. Sadly, last year, York Minster and the national railway museum lost £6 million of Government grants. I understand that the Under-Secretary of State for Culture, Olympics, Media and Sport, the hon. Member for Wantage (Mr Vaizey) is coming to York tomorrow to encourage private sponsorship of our built heritage. I welcome him and wish him well, and I would like to know what plans the Government have to get more private sponsorship of our built heritage.

John Penrose: I understand that we have plans for £80 million of match funding to encourage just the kind of donations that the hon. Gentleman describes.

Mr Nigel Dodds (Belfast North) (DUP): The £100 million Titanic signature project is nearing completion in Belfast. What conversations has the Minister had with Executive Ministers in Northern Ireland about how best the 2012 anniversary of the Titanic's sinking can be exploited for tourism when people come to Britain for the Olympics?

John Penrose: It is tremendously important that we use the Olympics as an opportunity to showcase the whole of Britain, rather than just to showcase London for a couple of weeks in the middle of the year, so I completely share the right hon. Gentleman's aims and ambitions. The main thing that we are doing is to create this £100 million of match funding that the Secretary of State mentioned. That is aimed at marketing the whole of the UK to everybody abroad to showcase what the UK can offer, and not just during the fortnight of the Olympics and during the Paralympics thereafter. We want to create a step-change increase in the number of people visiting in 2013 and the years after.

Tourism (Economic Effects)

3. **Miss Anne McIntosh** (Thirsk and Malton) (Con): What information his Department holds on the effects of tourism on the economy; and if he will make a statement. [43633]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (John Penrose): As I just mentioned, the tourism industry is a tremendously important part of our economy. It accounts for £90 billion of spend—more than £115 billion if we include the companies that supply the tourism industry and the leisure economy—and for 4.4% of our jobs.

Miss McIntosh: I hope that I can entice you, Mr Speaker, as well as many right hon. and hon. colleagues, to North Yorkshire to sample some of the delights of the market towns, the seaside at Filey, and Castle Howard and other places of historical interest. Will the Minister accept a representation from me today as part of the Government's consultation on tourism? I can tell him that North Yorkshire will not be helped by being submerged in the dark and the cold during even longer and darker mornings, so I hope that the Government will put an end to the consultation, which will not do anything for tourism in North Yorkshire.

John Penrose: I am sure that my hon. Friend would accept that any change in daylight saving time is the responsibility of the Department for Business, Innovation and Skills. However, I take her point that the tourism industry has campaigned quite loudly on that. At this point, I can only repeat the Prime Minister's assurance that no progress will be made without the agreement of all parts of the UK; we do not want to impose anything over the heads of, for example, the Scots or the Northern Irish.

Arts Council (London and Croydon)

5. **Gavin Barwell** (Croydon Central) (Con): How much Arts Council England spent in (a) London and (b) Croydon in 2010-11. [43635]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): Arts Council England is able to supply figures for only the first three quarters of 2010-11, as the financial year is not yet complete. From 1 April 2010 to 1 December 2010, London received total funding, including lottery and grant in aid, of £191.4 million. Croydon received total funding of just over £210,000.

Gavin Barwell: I hope that my hon. Friend will agree that that is a pitiful share of the total London budget for London's largest borough. Neither the Fairfield Halls arts complex, nor the London Mozart Players, one of our best chamber orchestras, gets any funding. Will he talk to Arts Council England about why it is pursuing a zone 1 policy so beloved of the former Mayor of London?

Mr Vaizey: I hear what my hon. Friend says and I commend him on his work, particularly with the Croydon Art Society. I know that the London director of the Arts Council met the director of culture in Croydon in January, but I am sure that my hon. Friend will understand that the arms-length principle means that Ministers cannot interfere in the Arts Council's funding decisions.

Fiona Mactaggart (Slough) (Lab): I went to an event that was sponsored by a number of organisations funded by the Arts Council in London, where I saw the work of a group of young people who, through the future jobs fund, were apprenticing themselves to organisations such as the Royal Opera House and other cultural bodies in London. They are coming to present what they have learned through their experience to the House of Commons in a couple of weeks and I wondered whether the Minister would come and listen to them along with the Minister for Further Education, Skills and Lifelong Learning, who has already accepted my invitation.

Mr Vaizey: If I am free, I will certainly do that.

Inbound Tourism

6. **Greg Hands** (Chelsea and Fulham) (Con): What recent steps he has taken to increase inbound tourism. [43636]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (John Penrose): We have already mentioned the £100 million match funding marketing pot that we have created with key firms in the tourism industry. That will be aimed at promoting and marketing the UK abroad to potential inbound visitors.

Greg Hands: Returning to the issue of tourists at our airports, for many non-EU nationals the condition of London's airports and the length of immigration queues in particular can be depressing. What reassurance can the Minister give that action could be taken, particularly for travellers from countries such as the US, Canada, Australia and New Zealand who do not need a visa to enter the UK?

John Penrose: I am delighted to confirm that we are in close discussions with the Home Office and the UK Border Agency about trying to move forward further and faster with measures to improve the queue management for anyone with a chipped passport, which is a relatively new piece of technology that allows us to process people in queues much faster and verify their identity much more quickly, thereby getting them through in a much more timely and welcoming fashion.

Mr Roger Gale (North Thanet) (Con): Next month, the Turner Contemporary, which is set to become one of Europe's finest art galleries, is due to open in Margate and we hope that it will attract visitors from all over the world. On the opening weekend, Network Rail is to carry out major engineering works on the line between London and Margate. Could my hon. Friend have a word with the Department for Transport to ensure that it understands the importance of keeping roads and railways open so that visitors can get to the attractions that we wish them to see?

John Penrose: Until my hon. Friend rose to his feet, I was not aware of that problem. I will take it very seriously and I look forward to discussing it with him immediately after Question Time.

Olympic Legacy

9. **Mr David Lammy** (Tottenham) (Lab): What plans he has for the future use of the Olympic stadium after the London 2012 Olympics. [43639]

The Minister for Sport and the Olympics (Hugh Robertson): The Olympic Park Legacy Company is responsible for determining the legacy of the Olympic stadium. We have now approved the OPLC board's recommendation for the preferred bidder, the consortium comprising West Ham United and the London borough of Newham, and contractual negotiations will now proceed to agree acceptable terms of lease.

Mr Lammy: Now that the decision has been determined, will the Minister meet me, Haringey council and Daniel Levy from Tottenham Hotspur club to ensure that Tottenham Hotspur is able to move forward with its plans for the Northumberland Park development? The Minister will appreciate that there remain real economic concerns in what is the poorest area of London to ensure that the club can maintain its presence in Tottenham as it wants.

Hugh Robertson: The short answer is yes, of course I will. I have met the right hon. Gentleman a number of times during the bidding process and I have also made an offer through the Tottenham board to see whether I can do anything to help. I suspect that my powers in this area will be limited, because I think that the arguments and issues are to do with planning, but if there is anything I can do to help, I will do it.

Mr Lee Scott (Ilford North) (Con): Will the Minister also take into account the concerns of Barry Hearn, the chairman of Leyton Orient—the finest football club in the country, may I add—about how the redevelopment of the Olympic stadium after the Olympics will affect Leyton Orient football club?

Hugh Robertson: Yes. I should say at the outset that I am absolutely confident that the process carried through by the Olympic Park Legacy Company, in accordance with the criteria laid out, was absolutely fair and transparent and that it was done in absolutely the correct way. I reject any insinuation that the process was in any way corrupt or badly handled. That said, if there is anything I can do to help Leyton Orient, I will do it, in the same way that if there is anything I can do to help Tottenham Hotspur, I will do it.

Tessa Jowell (Dulwich and West Norwood) (Lab): I welcome the Minister's announcement and congratulate the Olympic Park Legacy Company on the manner in which this difficult process was handled. May I ask him to ensure that the key elements of the promise on which we won the Olympics in Singapore—a multi-purpose stadium, with a legacy for the community and athletics at its core—are honoured throughout the negotiations about the detailed implementation of the Newham-West Ham bid?

Hugh Robertson: In a word, the answer is yes. The West Ham-Newham offer was clear and backed by UK Athletics. The negotiations about the detailed terms of the lease are now being held, and I will absolutely ensure—as, I am sure, will the OPLC—that the offer that West Ham and Newham made is honoured in that lease.

Public Library Service

11. **Dr Julian Huppert** (Cambridge) (LD): What plans he has for the long-term future of the public library service. [43641]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): The Government are a champion of public libraries as vital hubs of local communities. We drive library improvement, and shortly after coming to office, we set up the future libraries programme, which more than 30 local authorities—*[Interruption.]* The Film Council was Labour Government policy. The programme supports innovative and efficient models of service delivery. In addition, my Department and the Museums, Libraries and Archives Council continue to monitor and work with local authorities on their proposals for their library services.

Dr Huppert: I thank the Minister for those words, but in Cambridge the Conservative county council is reviewing library provision, resulting in service reductions and the possible closure of such great facilities as Milton road, Arbury Court and Rock road libraries. The Liberal Democrat opposition on the county council proposed a small amount of money to save all those services. What comment does the Minister have in view of his earlier remarks about what the county council ought to be doing?

Mr Vaizey: The county council is, I understand, not only part of the SPINE project, but works with Lincolnshire council under the future libraries programme. I will not comment on the specific proposals that the hon. Gentleman mentions, but I understand that Cambridgeshire county council is considering turning many of its libraries into community hubs and consulting extensively on its proposals.

Nick Smith (Blaenau Gwent) (Lab): What assessment have the Government made about the impact of library closures and reduced library services on efforts to improve adult literacy?

Mr Vaizey: The improvement of adult literacy is incredibly important, and the Department for Business, Innovation and Skills has secured substantial funding for adult learning. Many library closures are simply proposals, and many local authorities are continuing to consult on them.

Philip Davies (Shipley) (Con): Labour-run Bradford council proposes to close Wrose, Denholme and Wilsden libraries in my constituency. Does my hon. Friend agree that if a Conservative-led Bradford council could afford to keep those libraries open a few years ago, with the same grant as Bradford receives now from the Government, Labour-run Bradford council should be able to afford to do so, too?

Mr Vaizey: As I said, it would be wrong of me to comment on specific proposals, but I am sure that Bradford city council will want to consult extensively with local people.

Gloria De Piero (Ashfield) (Lab): The DCMS website says:

> "We would be concerned if libraries were closed, or their services disproportionately reduced, just to save money."

If the policy is not intended to save money, why does the Minister think that councils are proposing to close libraries?

Mr Vaizey: The Labour Government said in March last year:

> "The Government recognises that library closures may sometimes be necessary but closures must form part of a strategic approach to service provision".

I agree with that statement.

Mr Peter Bone (Wellingborough) (Con): Northamptonshire county council, which happens to be Conservative-led, has reconsidered its proposals to close libraries and is keeping them open. In particular, in my constituency, Councillor Terry Perkins led the campaign to save Irchester library. Does that not show that Conservatives are listening?

Mr Vaizey: My hon. Friend makes a good point. A lot of councils are listening. Local people have reacted to many councils' initial proposals; there has been consultation; and many councils are changing their plans—and that is a good thing.

Diversity (Film Sector)

12. **Simon Hughes** (Bermondsey and Old Southwark) (LD): If he will require the British Film Institute to continue the UK Film Council's work on promoting diversity in the film sector. [43642]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): The British Film Institute has a long and proud track record of commitment to diversity, both in the workplace and in its cultural programme, including such pioneering work as the London lesbian and gay film festival, the breadth of programming in the BFI London film festival and at BFI Southbank and in its DVD catalogue. It remains committed to ensuring access for all to everything that it does and to reflecting the full diversity of experience in its work.

Simon Hughes: As we celebrate the BAFTAs and the Oscars, I am sure that the Minister will have noticed that there are very few black and minority ethnic faces in front of the screen, and the work force behind the screen are similarly unrepresentative. Will he use his influence to ensure that when the British Film Institute, which is based on the south bank in my part of the world, takes over responsibilities, it understands the importance of diversity for the whole of the work force, and will he work with me to ensure that that is achieved?

Mr Vaizey: I absolutely agree with the right hon. Gentleman. I am certainly happy to work with him and the British Film Institute to ensure that that happens and that we make significant progress.

Mr Chuka Umunna (Streatham) (Lab): Returning to the Secretary of State's comments on the funding of "The King's Speech", funding did come from the lottery, but the decision to invest it was actually made by the UK Film Council, and that institution has been working very well. Iain Canning, one of the film's producers, has said that it would not have been made were it not for the

UK Film Council. Colin Firth, after receiving his award, said that he thought that the decision to abolish the UK Film Council was short-sighted. Why does the Secretary of State believe that Colin Firth is wrong and he is right on that?

Mr Vaizey: The

> "Plans to merge the UK Film Council... and the British Film Institute... into a single body to support film could benefit both the filmgoing public and the industry... A new, streamlined single body that represents the whole of the film sector will offer a better service for both film makers and film lovers."

Kevin Brennan (Cardiff West) (Lab): It says here.

Mr Vaizey: It says here that that is from a statement made in August 2009 by Siôn Simon, the previous Labour Minister responsible for the creative industries. *[Interruption.]*

Competitive Sport

14. **Graham Evans** (Weaver Vale) (Con): What steps he is taking to encourage young people to participate in competitive sport. [43644]

The Minister for Sport and the Olympics (Hugh Robertson): It feels a little like the aftermath of the lord mayor's show, Mr Speaker.

The Government are committed to encouraging young people to participate in competitive sport, principally through the introduction of the new school games tournament. The school games will roll out this September and give pupils of all abilities the chance to compete regularly against each other in a wide range of sports at local, county and national level. The first national finals will take place in the Olympic park in 2012.

Graham Evans: I thank the Minister for that reply and welcome plans for the school games, which should help to provide a lasting sporting legacy for London 2012. Such a lasting legacy was under threat from the previous Government's constant diversion of national lottery funding away from sport to other pet projects. What have this Government done to prevent that from happening in future?

Hugh Robertson: The simple answer is that we have increased the amount of money that sport gets though the lottery back up to the 20% originally envisaged in the mid-1990s.

Ian Austin (Dudley North) (Lab): Is it not the case that opportunities for competitive sport will be cut, because the Government are slashing funding for school sport by 80%, forcing local councils to go too far and too fast with public spending cuts, closing facilities, sacking sports coaches and increasing fees and charges for local community and amateur sports clubs?

Hugh Robertson: That question seems to ignore the economic backdrop that we have inherited. This decision is necessary precisely because the previous Government, of whom the hon. Gentleman was a part, left a financial crisis that sees us paying £120 million in interest charges each and every day. It is against that backdrop that we have increased the amount of money going into sport and made the changes that I outlined in response to my hon. Friend the Member for Weaver Vale (Graham Evans). We will continue to do everything we can to drive up participation in sport.

Community Radio

15. **Andrew Bridgen** (North West Leicestershire) (Con): What plans he has for the future of community radio; and if he will make a statement. [43646]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): My Department is a strong supporter of community radio and has secured around £450,000 a year to support it. We intend to examine the regulatory regime for community radio as part of the forthcoming communications review.

Andrew Bridgen: Given the merging and closure of so many commercial local radio stations, what specific measures will the Government take to encourage community radio to offer an alternative in competition with local BBC radio stations?

Mr Vaizey: As I have said, we have secured the funding for this spending round. There are now 185 community radio stations on air, and I know that Hermitage FM is extremely popular in my hon. Friend's constituency. Ofcom will shortly report on a third round of licensing for community radio.

Broadband

16. **Gregg McClymont** (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): What assessment he has made of the effect on small businesses of the revision of the timetable for the introduction of universal broadband. [43647]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): My Department believes that all businesses will benefit from the enhanced availability of superfast broadband. Work carried out by Broadband Delivery UK last summer underpinned the decision to bring together efforts to drive superfast broadband out as far as possible at the same time as delivering universal broadband.

Gregg McClymont: Does the Minister still believe that duct access is the solution for the roll-out of next-generation superfast broadband to rural populations?

Mr Vaizey: I certainly believe that duct access is part of the solution. Not only are we investing £530 million in the lifetime of this Parliament, but, as I am sure the hon. Gentleman will agree, deregulation—in the sense of removing barriers to investment—is a very important part of the strategy as well.

Mr James Gray (North Wiltshire) (Con): Removing barriers in the way that the Minister describes is important, but, with the roll-out of superfast broadband, does he not agree that, although urban, city and suburban areas will be fine, the real risk is that really remote rural areas, such as those throughout Wiltshire, will take an awfully long time to be connected? Will he give us his assurance today that he will pay particular attention to rural areas such as mine in the roll-out of superfast broadband?

Mr Vaizey: I certainly will. In fact, I bumped into the chief executive of Wiltshire county council only this week and heard some of its exciting proposals to ensure that superfast broadband goes to all rural areas of Wiltshire.

Regeneration (Seaside Towns)

17. **Laura Sandys** (South Thanet) (Con): What assessment he has made of the contribution of arts and culture to the regeneration of deprived seaside towns. [43648]

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): Culture makes a fantastic contribution to regeneration throughout the country. Earlier this week, I was privileged to attend a reception in the House for the launch of the Turner Contemporary gallery, and I am sure that my hon. Friend will join me in praising Roger de Haan's work in revitalising Folkestone, even though it is not in her constituency.

Laura Sandys: I most certainly will, and I know that Tracey Emin was most taken by the Minister on Monday evening. Seaside towns have always been marketed as summer locations. Now we have that internationally renowned gallery in Margate, I hope that he might make representations to the tourism Minister to ensure that seaside towns are marketed all year round. That is how we will secure the most effective regeneration for places such as Margate, Ramsgate, Hastings and, yes, Folkestone as well.

Mr Vaizey: I am grateful to my hon. Friend for ensuring that I appear in tomorrow's parliamentary sketch, and the minute I sit down, I will turn to my right and lobby the tourism Minister.

Topical Questions

T1. [43649] **Karl Turner** (Kingston upon Hull East) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): In January I published our local media action plan. I am pleased to announce that, by the deadline of 1 March, we had 30 expressions of interest from people who wanted to run local media services, 21 expressions of interest from people interested in running a new local TV network and five expressions of interest from people interested in running local TV services in the devolved nations.

Karl Turner: Is the decision to remove funding for Creative Partnerships not further evidence of a deliberate strategy by this Tory-led Government to remove funding from the poorest and most disadvantaged children in our society?

Mr Hunt: Absolutely not. I recognise that Creative Partnerships has done some excellent work, and I commend in particular the leadership of Paul Collard, but the decision to remove its funding was directly caused by the enormous budget deficit that we inherited—the economic crisis from which we and the whole country now have to pick up the pieces.

T2. [43650] **Dr Daniel Poulter** (Central Suffolk and North Ipswich) (Con): I know that the Minister is aware of the importance of high-speed broadband to predominantly rural counties, such as Suffolk, and in particular to the small businesses that are the backbone of our economy. Is he encouraged by the fact that in Suffolk we are developing a public-private partnership that will see local authorities committing almost £500,000 to the revenue funding of any future successful broadband bid?

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): I am certainly encouraged by what my hon. Friend tells me, and I am further encouraged, having met Suffolk county council with local Conservative MPs, who are taking a strong leadership position on that important issue.

T4. [43652] **Sheila Gilmore** (Edinburgh East) (Lab): In my relatively short time in the House, what has struck me as being extremely helpful has been the time given to statements. Can the Minister explain why a statement on BSkyB, which has been widely trailed in the press this morning and all over the radio, appears to have been postponed until such a late time in the day? Will he also comment on the statement that placing independent directors on *The Times* newspaper in the past has proved wholly ineffective?

Mr Hunt: You, Mr Speaker, very kindly gave me permission to make my statement to the House at 3 o'clock. I did not have any control over the time. I actually have the statement with me, and I would be happy to deliver it right away, but Mr Speaker has generously given me a slot at 3 o'clock, and that is when I intend to address the issues that the hon. Lady raises.

T3. [43651] **Sheryll Murray** (South East Cornwall) (Con): Is my right hon. Friend as pleased as I am that that great symbol of Cornish culture, the Cornish pasty, has been awarded protected geographical indication status? Will he join me and my Cornish colleagues in wishing my constituents in South East Cornwall, and indeed all the people of Cornwall, a happy St Piran's day for Saturday?

Mr Hunt: I have great pleasure in wishing my hon. Friend and her constituents a happy St Piran's day. I was in South East Cornwall on holiday the weekend before last, and the highlight of that weekend was an absolutely delicious Cornish pasty.

Kevin Brennan (Cardiff West) (Lab): Is the real reason the Secretary of State is not delivering the statement on BSkyB until the unusually late hour of 3 o'clock that Rupert Murdoch has not written it yet?

Mr Hunt: If the hon. Gentleman had been listening to my earlier response, he would have heard me say that I have the statement here and am happy to deliver it at any time, but Mr Speaker has generously given me a slot at 3 o'clock, when I will address all the issues that he and other hon. Members wish to raise.

T5. [43654] **Harriett Baldwin** (West Worcestershire) (Con): May I add my congratulations to everyone involved in the success of "The King's Speech"? It has also been a major commercial success, and it was funded partly by lottery funding. Can the Secretary of State give us an idea of how much revenue that will bring in to the UK taxpayer?

Mr Hunt: As I understand it, the commercial deal around "The King's Speech", which could gross up to £200 million worldwide, means that 34% of the money that it may generate that came from financiers will come back to the UK to invest in future film production, which is an excellent thing.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): At the recent Mobile World Congress in Barcelona, many exciting new mobile applications and devices were unveiled. However, consumers and businesses across the country are being left behind because of this Government's delay in making mobile spectrum available. What is the Minister doing to speed up the availability of spectrum for innovative applications?

Mr Vaizey: We expect Ofcom to publish its auction rules towards the end of this month. Any delay was caused by the fact that the previous Government did not bring forward the statutory instrument in time. By the time that they did, substantial changes had taken place in the mobile telecoms landscape that necessitated a review.

T6. [43655] **Greg Hands** (Chelsea and Fulham) (Con): My right hon. Friend will be aware of BBC Worldwide's bid for the remaining stake in "Lonely Planet" travel guides. Will he undertake to have a word with BBC Worldwide about the history sections in some of these travel guides? The one for England, for example, has a rather partial view of the 1980s. It says:

> "Trade unions archaic? She"—

Margaret Thatcher—

> "smashed them. British industry inefficient? She shut it down. Nationalised companies a mistake? She sold them off".

Can he make sure that there is a slightly more nuanced and balanced section in these travel guides? Having said that, the section ends by saying that

> "her repeated electoral victories were helped considerably by the Labour Party's total incompetence".

Mr Hunt: I am a huge fan of the "Lonely Planet" travel guides, but I am not a great fan of its guides to the UK. The most important thing that it needs to update is the fact that there is an outstanding new tourism Minister, the Under-Secretary of State for Culture, Olympics, Media and Sport, my hon. Friend the Member for Weston-super-Mare (John Penrose), who has taken charge of the British tourism industry and is ringing the changes to make Britain a better tourism destination.

Kerry McCarthy (Bristol East) (Lab): Britain is rightly renowned for the creativity of its independent music sector, but musicians seeking to go and tour in the US face huge bureaucracy and costs when they try to get visas, whereas it is far easier for musicians from the US to come and tour here. May I urge the Minister to take action on this?

Mr Vaizey: It is the first time that that issue has been raised with me, and I would be delighted to sit down with the hon. Lady and discuss it further.

Mr Don Foster (Bath) (LD): As currently drafted, the Localism Bill would allow local development plans to circumvent the existing rules on listed buildings. Does the Minister agree that this could play havoc with our current built heritage? What discussions is he having with the Department for Communities and Local Government to avoid that problem?

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (John Penrose): I am glad to reassure my hon. Friend that at no stage has any DCLG Minister come to me and said that they wish to drive a coach and horses through the listed buildings regulations; I am sure that he was not implying that anyway. I am happy to reassure him that, as we speak, officials from DCMS are in close consultation on this very issue with the authors of the Localism Bill.

Stella Creasy (Walthamstow) (Lab/Co-op): Further to that question, two weekends ago, I spent a very cold evening trying to protect the former EMD cinema in Walthamstow from an illegal rave, during the course of which I discovered that that beautiful listed building had been flooded with water. Similarly, whenever I pass the Walthamstow dog track and see the derelict state it is now in, I fear for its future. Will the Minister agree to an urgent meeting with me to discuss what more can be done to protect such heritage buildings from unscrupulous landlords such as the Universal Church of the Kingdom of God and London & Quadrant, given their listed status?

John Penrose: I would of course be delighted to meet the hon. Lady to discuss those issues. I assure her that, by and large, individual structures spend between two and four years on the buildings at risk register. In most cases, solutions are found but there is a small but real nub of cases that have longer-term problems. If the two cases that she describes are part of that nub, I would be delighted to talk them through with her.

Bob Russell (Colchester) (LD): Heart radio has more than halved the number of local stations for which it was granted licences. Those lost include the one in Colchester. If Heart is not prepared to reopen that station, surely the frequency should be offered to the local community to run its own radio station—Radio Big Society Colchester.

Mr Vaizey: If Radio Big Society Colchester does get off the ground, we all know who the breakfast presenter should be.

Mr David Lammy (Tottenham) (Lab): I welcome the decision by colleagues in the Department for Education to award £82 million to music education. In the past, the cultural sector has worked closely with music education. Will Ministers ensure that that progress continues?

Mr Vaizey: I am grateful to the right hon. Gentleman for that question. In the spirit in which he asked it, I pay tribute to the work of the previous Government in establishing the music standards fund and taking music education so seriously. The Henley review has enabled the close co-operation between the Department for Education and the Department for Culture, Media and Sport to continue.

Esther McVey (Wirral West) (Con): The Liverpool city region is a cultural hub, and that was cemented when it won the capital of culture. It is imperative that the area has a local television station. Will the Secretary of State work with the city region to ensure that a bid is taken up in this area?

Mr Hunt: I would be delighted to do so. Liverpool presents a fantastic opportunity and would benefit hugely from having its own TV station. It has a fantastic cultural heritage, an amazing sporting tradition and tremendous civic pride. Not least, I am sure that such a station would be an excellent platform for my hon. Friend to say what a brilliant job she is doing for her constituents.

LEADER OF THE HOUSE

The Leader of the House was asked—

Backbench Business Committee

1. **Julie Hilling** (Bolton West) (Lab): What recent discussions he has had with the Chair of the Backbench Business Committee on means for that Committee to receive representations from hon. Members. [43619]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): My right hon. Friend the Leader of the House meets regularly with the Chair of the Backbench Business Committee to discuss a range of issues relating to Back-Bench business. My right hon. Friend and I have attended meetings of what he calls the Backbench Business Committee's weekly salon. We have been impressed by the work of the Committee and the quality of presentations by hon. Members.

Julie Hilling: With all the non-legislative debates being transferred to the Backbench Business Committee, does the Deputy Leader of the House recognise that hon. Members will want to make representations for more parliamentary time to be allocated to Back-Bench business, particularly given its popularity since its introduction?

Mr Heath: It is important that we get the right balance in the House between legislative business, which is the proper business of the House, and the debates that the Backbench Business Committee organises on behalf of the House. The Wright Committee made clear proposals on how we should allocate time to the Backbench Business Committee, which the Government have followed. The days have been transferred and I think that it is working extremely well.

Mr Philip Hollobone (Kettering) (Con): I congratulate the Deputy Leader of the House on attending Tuesday's Backbench Business Committee meeting. Will he make it clear to the House that the Committee can allocate only the time given to it by Her Majesty's Government, and that the days on which Back-Bench business takes place are decided on entirely by him and the Leader of the House?

Mr Heath: It is the business managers who allocate the days that are made available, but that is done within a framework by which the number of days is allocated according to a formula, as the hon. Gentleman knows and the House understands.

Natascha Engel (North East Derbyshire) (Lab): Further to that answer, the Deputy Leader of the House is aware that the 35 days allocated to Backbench Business Committee debates at the moment is a minimum number, so given the popularity of those debates, will he increase that number from 35 to many more?

Mr Heath: At the moment, the hon. Lady's Committee has 15 days of the allotted 35 days left, so we have not yet reached the allocation. There would not be a need for a change to Standing Orders to allocate more if it seemed appropriate to do so, but I stress again that for the system to work—I think it is working very well—we have to get the right balance between legislative time and time for other debates. We often hear calls for more time for Committee and Report stages of Bills, and we have to be aware that that takes time as well. If we restrict the number of days available for scrutiny of Bills, it restricts the opportunity for Back-Bench Members to have their say on legislation that is passing through the House.

Helen Jones (Warrington North) (Lab): Given the level of interest in Back-Bench business, does the Deputy Leader of the House think that the time has now come to allow Members to make representations in public by having questions to the Chair of the Backbench Business Committee on the Floor of the House? Does he agree that that would have two advantages? It would raise the Committee's profile with the public, who may well have issues that they would like to see debated, and it would allow the Leader of the House to concentrate on requests for the use of Government time instead of having to refer many bids to my hon. Friend the Member for North East Derbyshire (Natascha Engel), as he does at present.

Mr Heath: As I said earlier, the public sessions that the Committee holds are extremely effective. As I heard on Tuesday, when the hon. Member for North East Derbyshire (Natascha Engel) was unfortunately not chairing the session—it was elegantly chaired by the hon. Member for Wellingborough (Mr Bone)—they give people the opportunity to expand on the case that they wish to put. We are going to move to having a Committee for all business of the House, and we will then need to consider seriously the arrangements for the business statement and how we deal with business sessions, to ensure that everybody has the opportunity to bid for time in an effective way.

Committee of Selection

2. **Heidi Alexander** (Lewisham East) (Lab): What recent discussions he has had with the Chair of the Committee of Selection on the operation of that Committee. [43620]

The Leader of the House of Commons (Sir George Young): I have occasional discussions with my hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown) on the work of his Committee. The House's arrangements for the appointment of Select Committee members and Chairs have been significantly strengthened by changes introduced at the beginning of this Parliament.

Heidi Alexander: Having spent the last month doing my best to scrutinise the Localism Bill, I find it quite remarkable that hon. Members with specific expertise or knowledge can be prevented from serving on particular Bill Committees by the Committee of Selection. In May 2009, the Prime Minister said:

> "There are far too many laws being pushed through, with far too little genuine scrutiny from MPs."

Does the Leader of the House agree with those comments, and will he explore ways to make the Committee stage of Bills more open and effective?

Sir George Young: I welcome the important work that the hon. Lady is doing on the Localism Bill. It quite often happens that there are more people wishing to serve on a Public Bill Committee than there are places available, and the Committee of Selection then has to make difficult choices. In light of the exchange that took place at business questions a few weeks ago, it has revisited its procedure and believes that it was correctly followed in the case in question. I believe that the Committee and its Chairman will always be open to discussing how it works with Members of all parties.

Jeremy Lefroy (Stafford) (Con): As somebody who is currently serving on the Health and Social Care Public Bill Committee, may I just—I apologise, Mr Speaker, I will have to sit down.

Sir George Young: If my hon. Friend was going to say that there is not enough medical expertise on that Public Bill Committee, I say to him that I have looked at its membership and seen that my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter) is on it, who is a specialist registrar in obstetrics and gynaecology. The hon. Member for Oldham East and Saddleworth (Debbie Abrahams) is a public health expert and a former chair of Rochdale primary care trust, and my hon. Friend the Member for North Warwickshire (Dan Byles) served as a major in the Royal Army Medical Corps, so it seems to me that there is adequate medical expertise on that Public Bill Committee. Indeed, if anyone on the Committee were feeling unwell, they would be in very good hands.

Andrew Bridgen (North West Leicestershire) (Con): Given how the Committee of Selection was used in recent Parliaments by the previous Labour Government as a means for keeping Select Committees in what is euphemistically known as "a safe pair of hands", has the Leader of the House made an assessment of the functioning of those Committees under this Government, when members and Chairs are elected and not selected?

Sir George Young: My hon. Friend makes a powerful point. I was a member of the Committee of Selection when the Labour Whips tried to deselect Gwyneth Dunwoody and Donald Anderson from the Select Committees that they had chaired with magnificent independence. It was partly because of that outrageous performance that this Government moved towards the Wright Committee recommendations. I am delighted to say that the new procedure is working very well, and that Chairs of Select Committees have an independence that they did not have before.

Question Time

3. **Kevin Brennan** (Cardiff West) (Lab): What recent representations he has received on the consequences of the timing of Question Time in the House for the conduct of Committee business; and if he will make a statement. [43621]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): My right hon. Friend the Leader of the House has received no specific representations on this issue, but he and I are happy to receive such representations from Members. The hon. Gentleman will be aware that the Procedure Committee is looking at the issue of sitting hours, and he may wish to contribute to that inquiry in due course.

Kevin Brennan: I am a firm believer that Question Time and statements should be in prime time, and that Committees should not meet at the same time. We have a classic example of that not happening today. We will have a statement at 3 o'clock despite the fact that the Order Paper states that "Ministerial Statements (if any)" will take place after 11.30 am. Will the Deputy Leader of the House explain why people such as me—I am serving on the Education Bill Committee today at 3 o'clock, on a three-line Whip—will be unable to come here to participate? Why has that happened?

Mr Heath: First, Committees as a rule do not meet during Question Time in the Chamber, but obviously, it is not always possible to avoid a clash with statements. However, the same applies to consideration of Bills and all other business. Hon. Members sometimes have to make difficult choices on their priorities.

On the timing of business today, it is very important that, on one of the rare occasions when one of the minority parties has an Opposition day, we do not take up all the time available to it with a statement. That is why you, Mr Speaker, chose 3 o'clock today as an opportunity for that statement.

Mr Speaker: I am grateful.

Voting Advice (Publication)

4. **Mr Peter Bone** (Wellingborough) (Con): If he will bring forward proposals to provide for the publication in the *Official Report* of advice given by Government business managers on voting by hon. Members. [43623]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): I am devastated to disappoint the hon. Gentleman, but the Government have no plans to do so.

Mr Bone: In virtually every Division in the House of Commons, Members of Parliament do not make up their own minds how to vote, but are instructed by dark forces. The Deputy Leader of the House is a great parliamentarian who believes in transparency. I urge him—no: I beg him—not to go over to the dark side. Let us throw light on that advice and publish it.

Mr Heath: I know that the business managers sometimes give advice on voting, and that they sometimes express a degree of eagerness that hon. Members might attend on a particular day and vote in a particular way. It seems to me that the hon. Gentleman has never felt desperately constrained by that, although I am impressed that on no fewer than eight out of 10 occasions during this Parliament, he has supported the Government, which may come as some surprise to those on the Treasury Bench. He obviously takes very seriously the advice he receives, but I am not sure that placing such matters on the Order Paper adds value to it.

Parliamentary Questions

5. **Fiona Mactaggart** (Slough) (Lab): How many questions for oral answer printed in the Questions Book Departments have subsequently transferred during the present Session of Parliament. [43624]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): Information extracted from the House's Parliamentary Information Management Services database indicates that a total of 46 oral questions have been transferred this Session.

Fiona Mactaggart: Will the Deputy Leader of the House look at a particular oral question tabled by my hon. Friend the Member for Coventry South (Mr Cunningham) for answer by the Minister for Women and Equality? He asked about the equality impact of pensions policy and how men and women are treated differently in that respect. The question was selected for oral answer and was transferred to the Department for Work and Pensions and the Treasury. However, the equalities impact element of the question has, as far as I can see, never been answered.

Mr Heath: I am obviously concerned if the hon. Lady feels that a question has not been answered. It is for Ministers and Departments to determine which Department has responsibility for a particular question. As she knows, the transfer of questions has happened for a very long time. It is important that when a question is transferred, it is done promptly—an oral question should be transferred within 24 hours of it appearing in the notice paper, not of the day for answer, and it is a discourtesy to the House and hon. Members if they are not notified of that transfer. However, if she would like to give me further details of a question that she feels has simply not been answered, I will happily look into it.

Daily Prayers

6. **Mr Edward Leigh** (Gainsborough) (Con): What recent representations he has received on the practice of the House of holding daily Prayers in the Chamber. [43625]

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): The holding of daily Prayers is primarily a matter for the House. My right hon. Friend the Leader of the House responded to a question for written answer from the hon. Member for Walsall North (Mr Winnick) on 10 February, and the hon. Member for Orpington (Joseph Johnson) raised the matter during a debate in Westminster Hall on parliamentary reform on 3 February.

Mr Leigh: It has been suggested in debate that Prayers should either be abolished or moved from the main Chamber on the grounds that they take up a valuable three minutes of our time. Will the Deputy Leader of the House reject this notion, and say that, whatever one's religious views—or lack thereof—apart from the fact that they are beautiful poetry, what is wrong with meditating on things other than politics for three minutes a day? Anyway, our wonderful Chaplain does them very beautifully.

Mr Heath: I know that many right hon. and hon. Members value the few moments that the House spends in prayer at the beginning of each daily sitting. I repeat that I do not think that it is a matter for the Government; it is for the House. I am sure, Mr Speaker, that you will have heard the point made by the hon. Gentleman.

HOUSE OF COMMONS COMMISSION

The hon. Member for Caithness, Sutherland and Easter Ross, representing the House of Commons Commission, was asked—

House of Commons Nursery

8. **Mr Christopher Chope** (Christchurch) (Con): What recent assessment he has made of the performance of the House of Commons nursery; and if he will make a statement. [43628]

John Thurso (Caithness, Sutherland and Easter Ross) (LD): The nursery opened on 1 September last year and was inspected by Ofsted on 1 February, and achieved an overall assessment of "good". Ofsted rated it as "outstanding" for the effectiveness of the setting's engagement with parents and carers. The nursery has 40 places and is planned to reach its break-even point of 28 places within three years. Currently, 12 places are filled, and a further eight children are registered to start within six months, making a total of 20.

Mr Chope: I am grateful to the hon. Gentleman for that answer. Will he tell us the average taxpayer subsidy per place at present for the day nursery?

John Thurso: This year the cost of the nursery will be approximately £50,000, but it is on track to break even ahead of schedule, and thereafter, as was planned by the Commission in bringing forward the nursery project, it will have no impact on the public purse—indeed, it will be a very modest net contributor to the House's funds.

Business of the House

11.33 am

Hilary Benn (Leeds Central) (Lab): Will the Leader of the House gives us the forthcoming business?

The Leader of the House of Commons (Sir George Young): The business for the week commencing 7 March will be:

MONDAY 7 MARCH—Consideration in Committee of the Scotland Bill (Day 1).

TUESDAY 8 MARCH—Remaining stages of the European Union Bill.

WEDNESDAY 9 MARCH—Second Reading of the Welfare Reform Bill.

THURSDAY 10 MARCH—There will be a general debate on the future of the coastguard service, followed by a debate on a motion relating to UN women. Both debates were nominated by the Backbench Business Committee.

The provisional business for the week commencing 14 March will include:

MONDAY 14 MARCH—Consideration in Committee of the Scotland Bill (Day 2).

TUESDAY 15 MARCH—Conclusion of consideration in Committee of the Scotland Bill (Day 3).

WEDNESDAY 16 MARCH—Opposition Day [13th allotted day]. There will be a debate on an Opposition motion, subject to be announced, followed by a motion to approve a document relating to section 6 of the European Union (Amendment) Act 2008.

THURSDAY 17 MARCH—General debate on north Africa and the middle east.

FRIDAY 18 MARCH—Private Members' Bills.

Hilary Benn: I am grateful to the Leader of the House for that reply. Given that the Government must have known that they wished to make a statement today, can he explain why a motion was not tabled yesterday to protect the time for today's Opposition day debate, so as to allow the statement to be made at the normal moment?

I welcome the Back-Bench debate—I asked the right hon. Gentleman for one before the recess—on the momentous changes that we are seeing in the wider middle east and the hopes that we all have for the people of Libya at this difficult time. We look forward to the participation of the Foreign Secretary and the Development Secretary. We acknowledge the efforts now being made to help those affected in Libya, but can we have a commitment that there will be an oral statement following the inquiry that is under way into what went wrong at the beginning with the rescue of British citizens from Libya? There is a great deal to learn.

When the Deputy Prime Minister was asked whether he was in charge while the Prime Minister was away in the middle east last week, he replied:

> "Yeah, I suppose I am. I forgot about that."

Although we would love to forget that too, perhaps that explains why British oil workers in the desert were also forgotten about, until one of them managed to phone the "Today" programme last Wednesday morning to describe their plight. What is the point in the Deputy Prime Minister being in charge if he does not know it, and if neither he nor the Prime Minister could manage the simple task of convening a timely meeting of Cobra given that British citizens were at risk?

Will the statement also cover the Prime Minister's strange excuse on Monday that if the UK had sent in planes earlier, the scheduled airlines might have stopped flying? In case he did not notice, they stopped flying anyway. While the Turks, the French, the Germans and the Belgians—and Belgium does not even have a Government—managed to fly their citizens out, the UK Government's aircraft was still stuck on the runway at Gatwick in a no-fly zone all of its own. Will the statement also deal with why the Prime Minister decided yesterday to confirm that facilitation payments were made to help the evacuation? I make no criticism of those payments if that is what it took to get our people out, but I am surprised that the Prime Minister should say this publicly, because all he has done is advertise to others that in future they can demand money of us.

There is a pattern when it comes to handling crises: a Security Minister who did not tell the Prime Minister for six whole hours that a bomb had been found on a plane at East Midlands airport; a Defence Secretary who sacks RAF personnel days after the daring rescue in the Libyan desert; a Deputy Prime Minister who does not even know what his job is; and a Prime Minister who was caught napping and who could not bring himself to repeat to the House the apology that he made to the press about this mess. There is one word that sums this up: incompetence.

Can we have a statement on what has happened on compensation for the relatives of British citizens killed or injured in terrorist attacks abroad? As the Leader of the House knows, the Labour Government put that on to the statute book and the coalition promised to implement it, but as the months pass, people are asking: when will the Government keep their word?

Can we have urgent clarification from the Health Secretary that family doctors will not be able to make profits from GP commissioning, and that GP practices will not be partially floated on the stock exchange? The latest poll shows that 89% of doctors think that competition will lead to services being fragmented, while two thirds fear that competition between providers will reduce the quality of patient care. Government Members should be very worried as more is revealed about what the Health Secretary has in store for the NHS. They will know the feeling—whispered conversations in the corridors: "Why are we doing this?", "Doesn't sound right to me. It's pretty unpopular"—only this time it is not trees; it is people needing medical care.

Finally, has the Leader of the House seen the Minimum Wage (Amendment) Bill being proposed by five of his Conservative colleagues, which is down for debate this Friday? Its purpose is to allow the protection of the national minimum wage to be removed in certain parts of the country. Remembering that under the last Conservative Government there was no law to prevent jobs from being advertised at £1.50 an hour, we are reminded by this Bill what the Conservatives really stand for. They will not repeat the bankers' bonus tax on people getting millions, but some of their Members seem determined to cut the wages of people who earn £5.93 an hour. Will the right hon. Gentleman join me in condemning this outrageous proposal?

Sir George Young: I thank the right hon. Gentleman for his questions, and congratulate him on his new appointment as Labour's new regional champion for the east midlands. Perhaps he can deploy the eloquence that he has just displayed in the House to persuade Nottingham city council to do what every other local authority has done—namely, to open up its finances to public scrutiny. I hope that he will be a champion for openness and taxpayers, and not for secrecy and waste.

On BSkyB, this was a market-sensitive announcement taken by the Secretary of State for Culture, Olympics, Media and Sport. We could have made an announcement after business questions, but that would have done injury to the Democratic Unionist party and, as my hon. Friend the Parliamentary Secretary, Office of the Leader of the House of Commons explained, we want to respect the rights of minority parties. The statement is therefore being made at 3 o'clock, which is not an unusual time for statements to be made during the week.

On the question of Libya, our first priority was to get British nationals out. The right hon. Gentleman will have noticed that HMS Cumberland and the Hercules aircraft took out not only British nationals but nationals of other countries, after we had been told by Opposition Members that we were lagging behind other countries in evacuating our personnel. Significant numbers of other nationals were still left behind, and they were taken out by British ships and planes. We want to step up the international pressure on the regime and deal with the worsening humanitarian situation, as well as planning for every eventuality. I reject the right hon. Gentleman's accusations about the performance of either the Prime Minister or the Deputy Prime Minister, both of whom answered questions at the Dispatch Box, on Tuesday and Wednesday respectively. Of course we will want to keep the House informed, and the Government felt it right—as I think the right hon. Gentleman acknowledged—that we should debate north Africa and the middle east in Government time.

I will make inquiries into the question of compensation for terrorist attacks, and I will update the right hon. Gentleman on where we are on that.

On the NHS reforms, I do not know whether he listened to the "Today" programme and heard the Secretary of State for Health rebut the allegation that GPs would be able to transfer into their own pockets any surpluses that they might make on the commissioning side. He will also be aware that the building blocks for our health reforms were in place under his Administration. They included GP-based commissioning, foundation trusts and patient choice, and we are developing many of the reforms that were already under way.

Finally, on the Minimum Wage (Amendment) Bill, the right hon. Gentleman will be pleased to hear that the Government will be opposing it.

Mr Greg Knight (East Yorkshire) (Con): May we have a debate on the mislabelling of food? Is my right hon. Friend aware that a recent survey by local government regulation inspectors discovered that a fifth of all food on sale labelled as "local" was no such thing at all? Does he not agree that such dishonesty in food labelling is not only misleading consumers but undermining the viability of many genuine local food producers?

Sir George Young: My right hon. Friend raises a key point. Many British consumers want to support British farmers, but they can do so only if the food in the supermarkets and other shops is correctly labelled. I will raise his concerns with my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs and ask her to write to him outlining the steps that we are taking to provide for honest labelling of British products.

Lilian Greenwood (Nottingham South) (Lab): Does the Leader of the House think that, at a time of major international crisis, it is appropriate for Ministers to indulge in petty political point scoring rather than focusing on their faltering response to events in Libya?

Sir George Young: I am not sure to what the hon. Lady is referring. If there has been any petty party political point scoring about Libya, I think it came from the right hon. Member for Leeds Central (Hilary Benn) a few moments ago.

Mr Marcus Jones (Nuneaton) (Con): UK manufacturing is vital to the rebalancing of our economy, and that is important to my constituents and the wider west midlands in particular. Will the Leader of the House find time for a debate on Government strategies to support manufacturing?

Sir George Young: I welcome my hon. Friend's support for manufacturing. Earlier this week, he might have seen some important information about increased manufacturing output and investment, which I know he will welcome. Later this month we shall have the Budget, which we shall debate for a number of days afterwards. That will provide an opportunity for us to discuss further the steps that the Government are taking to promote a recovery in manufacturing.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May we have an early debate on the relationship between democracy and the media? Is the Leader of the House not worried that the ambition of the Murdoch empire to expand its monopoly and run down the BBC is on course and doing very well? Is that good for democracy?

Sir George Young: The hon. Gentleman may have an opportunity later to ask questions about the Secretary of State's decision, but I reject his accusation that democracy is in any way undermined by the decision taken today.

Jo Swinson (East Dunbartonshire) (LD): I concur with the hon. Member for Gainsborough (Mr Leigh) when he said that many MPs cherish the three minutes of prayer and reflection at the start of each parliamentary day. Given that MPs come from many different Christian denominations, different religions and, indeed, none, is it time to reconsider the House practice whereby the only way to reserve a seat in the Chamber makes it mandatory to attend Church of England prayers?

Sir George Young: That is primarily a matter for the House rather than the Government, and you, Mr Speaker, will have heard the hon. Lady's request. One can also put in a pink card in certain circumstances and reserve a seat if one serves on a Committee, so there are other ways of reserving a place in the Chamber.

Mr Dave Watts (St Helens North) (Lab): Given that hospital waiting lists are increasing as a result of the abolition of a maximum waiting time target for hospitals, may we have an urgent debate so that the Secretary of State for Health can apologise to the sick people who now have to wait longer for treatment?

Sir George Young: A debate on the Health Bill will take place in due course on Report, but the Conservative party and this coalition Government are committed to investing more in the NHS than the outgoing Labour Government invested, so there is no reason at all why waiting lists should be higher under this Government than they would have been if the hon. Gentleman's party had been returned.

Sir Peter Tapsell (Louth and Horncastle) (Con): On the subject of Prayers, since we have a coalition Government, I am sure that my right hon. Friend will remember that Mr Gladstone said that Prayers were by far the most important business that the House ever conducted.

Sir George Young: I do not remember that, although my hon. Friend may do. It is important to put our proceedings in context by a short period of reflection and prayer before we commence the parliamentary day, during which we are sometimes less than courteous to each other.

Owen Smith (Pontypridd) (Lab): Will the Leader of the House please have a word with the millionaire Transport Secretary about his decision earlier this week on the extension of the electrification of the Great Western line to Swansea? There is still a great deal of controversy about the business case on which that decision was ostensibly predicated, so we would be grateful to know more about that business case by having an early debate on the extension of the line through to Swansea, which is so needed for the west Wales economy.

Sir George Young: My right hon. Friend the Secretary of State for Transport made a very welcome statement on Tuesday announcing the electrification of the Great Western railway to Bristol, Cardiff and, indeed, the south Wales valleys, and at the same time he announced new rolling stock. He made it absolutely clear that even if electrification were carried through to Swansea, it would not affect the time already saved in travelling from London and the hon. Gentleman will already get a 20-minute saving anyway. I therefore very much hope that he will be slightly more enthusiastic about the Government's announcement and about the reduction of the time it will take him to get home on a Thursday evening.

Kris Hopkins (Keighley) (Con): May we have a statement in which a Minister can condemn the outrageous targeting of vulnerable elderly people in Keighley and Ilkley by the Bradford Labour mayor-elect, who last Thursday increased the cost of meals on wheels for my elderly constituents by 88%?

Sir George Young: I hope that any local authority or mayor who has to balance the books will look very hard at the options available before pursuing the sort of decision that my hon. Friend has outlined. He will have heard during Monday's questions to my right hon. Friend the Secretary of State for Communities and Local Government about the steps taken by many local authorities to protect front-line services by pooling chief executives, pooling services and joint procurement. I very much hope that, even at this late stage, some of those options might be looked at in my hon. Friend's constituency.

Nic Dakin (Scunthorpe) (Lab): We are now in March, yet we have had no clarity about how the enhanced discretionary learner support award that is replacing the educational maintenance allowance will operate. That is totally unfair on young people in years 11 and 12, while also being unfair on the schools and colleges that are trying to provide information, advice and guidance to allow young people to plan their futures. Can we have an urgent statement next week on the replacement of EMA so that we can find out how these young people are going to be supported?

Sir George Young: The hon. Gentleman raises a fair point: those who are continuing their education will want to know how they will be supported. We are committed to ensuring that young people from low-income households can enter learning. We are considering the work of my right hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes), who is advising us on access to education for the poorest young people. The Department for Education plans to allocate the new funds in early spring.

Paul Uppal (Wolverhampton South West) (Con): In view of a report this morning that many vocational training courses are not fit for purpose, and media reports that nearly half a million teenagers are involved in academic courses that will not help them secure a job, will the Leader of the House find time for a debate about how we can equip our young people with the skills and the technology necessary to compete in the global economy in the 21st century?

Sir George Young: My hon. Friend raises an important point. He may have seen our response, in a written ministerial statement out today, to the Wolf review of vocational education, and we will immediately accept four recommendations of that key report. I would welcome a debate, and he might like to approach the Backbench Business Committee for a debate on vocational education or apply for a debate in Westminster Hall.

Emma Reynolds (Wolverhampton North East) (Lab): On 7 February, the Department for Education refused to put up a Minister on the "Today" programme to discuss capital expenditure on free schools. On the same day, I submitted a written question to the Department for Education asking how much it would allocate to capital expenditure on free schools. The reply I received on 10 February stated:

> "I will reply to the hon. Member as soon as possible."

[Emma Reynolds]

Is the Department for Education trying to hide something? When will we get clarity on this important issue and whether it will have an impact on the Building Schools for the Future programme? May we have an urgent statement on the matter?

Sir George Young: The hon. Lady is entitled to an answer to her written parliamentary question, and I will pursue that today with my right hon. Friend the Secretary of State for Education to see whether she can get a response to her question early next week.

Bob Blackman (Harrow East) (Con): This week I learned that Ashiana, a charitable voluntary organisation in my constituency, is having its grant completely withdrawn. Harrow Carers' grant is also being slashed by 30%, and every other voluntary organisation is being decimated by the Labour-run council. My right hon. Friend the Secretary of State for Communities and Local Government has gone on record suggesting that he will take reserve powers to force councils to release money to voluntary organisations. May we have an urgent statement on what powers he is taking to protect such voluntary organisations from Labour-run councils?

Sir George Young: I understand the concerns of voluntary organisations in my hon. Friend's constituency about the decisions taken. At Monday's questions, my right hon. Friend the Secretary of State for Communities and Local government outlined a number of local authorities that had coped with the settlement without reducing grants to voluntary organisations. Indeed, I think he mentioned one that had increased its grants to voluntary organisations, so it can be done. I will raise with him the reserved powers to which my hon. Friend refers, and find out in what circumstances he might be invited to use them.

Mr Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): On the ongoing discussions about the Government's proposals on disability living allowance, may I invite the Leader of the House to consider the view expressed by the statutory body funded by the Department for Work and Pensions:

> "We consider that the proposal to remove the mobility component from people in residential care should not go ahead. This measure will substantially reduce the independence of disabled people who are being cared for in residential accommodation, which goes against the stated aim of the reform of DLA to support disabled people to lead independent and active lives".

That is a crucial intervention. May we have a debate as soon as possible?

Sir George Young: The right hon. Gentleman will know that the consultation has just ended on the reform of DLA, and the Government propose gradually to replace DLA from 2013 with a personal independence payment. Work is continuing on the exact structure of that payment, but our intention is to maintain mobility for those who genuinely need it, and to ensure that people do not miss out on the change from one regime to another.

Mark Pawsey (Rugby) (Con): Micro-businesses, which employ up to five people and have a turnover of less than £250,000, constitute the largest number of business units in the UK, but often their owners are not motivated to increase the size of their business. If each micro-business in my constituency took on just one extra employee, however, there would be nobody looking for work in the constituency. Will the Leader of the House make time to consider the role of such businesses in the economy and in stimulating growth?

Sir George Young: My hon. Friend makes a valid point, which I will take as a bid for my right hon. Friend the Chancellor to take on board as he prepares his Budget.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): May we have a debate on the future of the Forensic Science Service? I recently the visited the northern firearms unit in Manchester to see the work of one of my constituents and his colleague. Significant concerns exist that the impartiality, quality and round-the-clock coverage provided by that unit will be lost under the Government's hasty closure plans.

Sir George Young: I appreciate the hon. Gentleman's concern. As we run down the service to which he refers and look to alternative providers to replace it, I will raise his concerns with my right hon. Friend the Home Secretary and ask her to write to him on the matter.

David Tredinnick (Bosworth) (Con): Will my right hon. Friend update the House on the situation in Parliament square? Does he expect the measures taken by the Government to be sufficient to make the square a clear, free space for all people by the middle of April?

Sir George Young: I understand my hon. Friend's concern. He may have seen that a case ended, I think, on Monday, and the judge has reserved judgment on action being taken by Westminster city council. I welcome what the council is doing to remove individuals on obstruction grounds. On his specific question, we are talking to the police, the council and the Greater London authority to ensure that the square is in a fit and proper state for the royal wedding.

Thomas Docherty (Dunfermline and West Fife) (Lab): I very much welcome, as I am sure the whole House does, the fact we now have a timetable for the Scotland Bill for the coming weeks. You will know, Mr. Speaker, that no fewer than 12 new clauses have already been tabled, with, I suspect, many more to come. Will the Leader of the House see whether it is possible to get an extra day in this Session so that all new clauses are adequately debated?

Sir George Young: The Government are anxious to ensure that there is adequate time to debate important constitutional Bills. We have allocated, I think, three days for Committee and one day for Report and Third Reading, starting next week. I would like to see how we get on. At the moment, our view is that we have allowed adequate time to debate the important measures in the Bill, as well as new clauses. However, we will keep the matter under review.

Brandon Lewis (Great Yarmouth) (Con): The Leader of the Opposition and his shadow Chancellor were both part of the Treasury team that decided to sell off the nation's gold. That decision, back then, in that economic time, has cost the country to date about £9 billion, the equivalent of 18p off a litre of fuel for an entire year. Given that, and given that the shadow Chancellor has called for a reversal of the VAT increase, may we have an early debate on fuel taxation?

Sir George Young: There will be an opportunity later this month to debate matters relating to taxation when we consider the Budget. My hon. Friend's point reinforces the case never to allow the Labour party to have the keys to the economy again.

Mr Denis MacShane (Rotherham) (Lab): I congratulate the Leader of the House on being an attentive reader of *The House* magazine and the argument from a right hon. Member for a foreign affairs debate, now granted on 17 March, three months to the day after the self-immolation of the young man in Tunisia that sparked the crisis. Better later than never. Will the Leader of the House assure the House that we might have another international affairs debate before the year is out?

Sir George Young: I am grateful to the right hon. Gentleman. Indeed, our response was partly because of the question that he put some time ago, asking for a debate in Government time on the middle east. The Government have reserved the right to have debates on general subjects, notwithstanding the fact that the Backbench Business Committee has access to much of the time. We have used that freedom, as we had a debate on the strategic defence review back in October, and I would not rule out using it again if the need arose.

Tony Baldry (Banbury) (Con): The Leader of the House will have seen early-day motion 1518 about the terrible murder in Pakistan of Shahbaz Bhatti.

[That this House condemns the assassination of Shahbaz Bhatti, the Pakistani Minister for Minorities, who was the only Christian in the cabinet; notes that this comes only days after the government of Pakistan's retention of a minorities representative in the new cabinet and the Ministry for Minorities Affairs as an independent ministry; recognises the significant advances made in the interests of minority rights and interfaith dialogue by the Federal Minister Shahbaz Bhatti through this ministry; expresses concern at the ongoing misuse of the provisions of section 295 of the Pakistan Penal Code, known as the blasphemy laws, and the threats posed to all who challenge this legislation; and urges the government of Pakistan to reconsider reviewing the blasphemy laws as a matter of urgency.]

As this is the mother of Parliaments, may we take the matter one step further? May we consider having, somewhere in the precincts of the Palace of Westminster, a memorial on which, by resolution of the House, we could put the names of those parliamentarians and politicians who are murdered simply for seeking to uphold democratic principles and democratic values elsewhere in the world?

Sir George Young: My hon. Friend refers to a callous murder of a democratically elected Government Minister, and the Foreign Secretary made a statement condemning the action of the extremists involved. I am interested in my hon. Friend's proposal, which, in the first instance, he might like to put to the Inter-Parliamentary Union. Essentially, however, the matter would be one for the House rather than the Government.

Kevin Brennan (Cardiff West) (Lab): Will the Leader of the House give a specific answer to the question from my right hon. Friend the Member for Leeds Central (Hilary Benn) about the timetabled motion on today's Order Paper and the timing of the statement on BSkyB? As some Members, including me, will be in Committees at the time, the statement will receive less scrutiny than it would have otherwise. Why did the Leader of the House not table a motion allowing the Opposition day debate to continue beyond 3 pm, which it was in his power to do?

Sir George Young: The statement relates to a commercially sensitive announcement made by the Secretary of State for Culture, Olympics, Media and Sport this morning.

Robert Halfon (Harlow) (Con): Has my right hon. Friend read my early-day motion 1515?

That this House expresses grave concerns about the extent of funding from Middle Eastern dictatorships for UK universities, including the donations to the London School of Economics (LSE) by the Libyan regime; notes that an estimated 75 million was given to the Oxford Centre for Islamic Studies by 12 Middle Eastern rulers, including King Fahd of Saudi Arabia; further notes that 8 million was given to the University of Cambridge by Prince Alwaleed bin Talal of Saudi Arabia, to finance a new research centre for Islamic studies in 2008, and that he gave a further 8 million to Edinburgh University for the same purpose; further notes that 9 million was given to the Centre for Middle Eastern Studies at the LSE by the United Arab Emirates Foundation, and that 5.7 million was given to the LSE by the Kuwait Foundation for the Advancement of Sciences, to establish the Kuwait Programme on Development, Governance and Globalisation in the Gulf States in 2007; and therefore calls on the Government to establish much stricter guidelines around donations to UK universities, and to put a stop immediately to donations from oppressive Middle Eastern dictatorships with a terrible record on human rights.]

My right hon. Friend may also have seen early-day motion 1486, which I tabled.

The motions condemn the extensive financial links between Colonel Gaddafi and at least two British universities, the London School of Economics and Liverpool John Moores, and the links between the progressive left and Gaddafi. Does he not agree that this scandal is akin to that of the aristocrats who appeased and sympathised with fascism in the 1930s, and will he arrange for an urgent statement on, and an independent inquiry into, the funding of British universities by middle eastern despots?

Sir George Young: I understand my hon. Friend's concern, although I am not sure I would go quite as far as he did in drawing that parallel. Universities, however, are autonomous institutions. As a charity, a university must set its own standards for the acceptance of donations, subject to guidance from the Charity Commission. The LSE has expressed regret at the reputational damage caused by its association with the Gaddafi name, and has announced that the sum received will be used to finance a scholarship fund supporting students from north Africa.

Fiona Mactaggart (Slough) (Lab): What has happened since last Thursday to cause the order of next Thursday's two debates to be reversed, so that the traditional debate on international women's day will be the last item of business rather than the first?

Sir George Young: The Chair of the Backbench Business Committee, who is responsible for arranging the sequence of debates, will have heard the hon. Lady's question. I think that it is still open to the Committee, if it so wishes, to reverse the order again between now and next Thursday so that it is as originally proposed.

Neil Carmichael (Stroud) (Con): My constituency contains a large number of road haulage companies, all of which are interested in some form of fuel stabiliser mechanism or, better still from their point of view, an essential users allowance. May I put that interest on the record, notwithstanding the obvious need for fiscal measures to control the economic deficit?

Sir George Young: I understand my hon. Friend's concern. He will have heard what my right hon. Friend the Prime Minister said yesterday at the Dispatch Box. We are examining the position to establish whether we can share the benefit of higher oil prices between the motorist and the Treasury. It is difficult to say any more than that in advance of the Budget statement.

Ian Austin (Dudley North) (Lab): May we have an urgent debate on the welfare benefits system? Ordinary decent people in Dudley and elsewhere will have been shocked to discover this morning that while they are having to work harder, pay more tax, receive poorer services and, in some cases, lose child benefit and tax credits, hundreds of thousands of east European migrants will be able to claim hundreds of pounds a week—millions in total—because the Government are not going to renew safeguards introduced by the previous Government.

Sir George Young: I am not sure that the hon. Gentleman has got that absolutely right. There were safeguards, and they expire today under an agreement signed by the previous Government. We are bound by the decisions of the outgoing Government. None the less, we are anxious to ensure that the hospitality of this country is not abused. The Welfare Reform Bill, which is currently going through its stages in the House, contains safeguards to ensure that benefits go only to those who need them.

Mr Peter Bone (Wellingborough) (Con): May I return my right hon. Friend to the question of who is in charge? Obviously, the response to the point made by the Opposition about last week is that the Prime Minister is in charge, but if the Prime Minister had been incapacitated, who would have been in charge? In a written reply that I received from the Deputy Prime Minister, he fudged the issue. It was not clear that he would become acting Prime Minister. May we have a statement next week clarifying who would take over if the Prime Minister were incapacitated?

Sir George Young: I am anxious that my hon. Friend should not lose any sleep over this issue. I do not want to give an off-the-cuff answer to his question—I should prefer to reflect on it—but I will say that it is for the Prime Minister to decide what should happen if he could no longer perform his duties.

Christopher Pincher (Tamworth) (Con): Given this week's welcome news that £1.5 million is to be made available to introduce ex-military personnel to the teaching profession, will my right hon. Friend arrange a debate on that innovative proposal so that we can discuss the ways in which it will enhance teaching and discipline in our schools?

Sir George Young: My hon. Friend is right to draw attention to the £1.5 million that has been donated to SkillForce to encourage those who are leaving the armed forces to take up a career in education and bring the necessary skills of leadership and discipline to schools. I should welcome such a debate. I cannot arrange one in Government time, but either the Backbench Business Committee or Westminster Hall might provide an opportunity. The troops to teachers programme is designed to bring the skills of service leavers quickly to our schools, and I think that many would benefit from those skills.

Alun Cairns (Vale of Glamorgan) (Con): Will the Leader of the House arrange a debate on the bank levy before the Budget statement? Current projections suggest that it could raise £800 million a year, and the debate would give us an opportunity to establish how the Labour party can squeeze £27 billion-worth of spending promises from that £800 million.

Sir George Young: I look forward to my hon. Friend's contribution to the Budget debate. He makes a good point. The bank levy is a permanent levy that will produce in one year more than the one-off net amount raised in tax by the Labour party, which has been overspent many times and will pay for the reduction in VAT, the cancellation of the increase in petrol duty, and a number of other reforms. I hope that we shall be able to have an open debate on how the Opposition's mathematics add up.

Harriett Baldwin (West Worcestershire) (Con): On Tuesday we heard a welcome statement from the Secretary of State for International Development about his tough value-for-money review of international aid spending. May we have a debate in Government time on the transparency of international aid? Letters in my mailbag certainly suggest that people are still concerned about the fact that international aid money is being used to fund, for example, the limousines of dictators.

Sir George Young: The Select Committee on International Development might wish to consider the well-received statement of which my hon. Friend has reminded the House, and, in particular, the arrangements that we are making for transparency. What we have outlined, however, is a more focused and effective regime that will not only provide better value for the taxpayer but enhance confidence by being much more transparent and open about where the money goes, so that people can see that they are receiving value for money for the contributions that are made.

Priti Patel (Witham) (Con): This afternoon I shall meet a group of pig farmers from the great county of Essex. They are concerned about the fact that a combination of higher wheat prices and increased supermarket imports of pigmeat from countries with lower animal welfare standards than ours are forcing British pig farmers out of business. May we have a debate on the British pig industry? The sustainability of high food standards is under threat, along with many rural jobs in our constituencies.

Sir George Young: The constituencies of many Members on both sides of the House contain pig farmers—certainly there are many in my constituency of North West Hampshire, and my hon. Friend the Deputy Leader of the House was himself a pig breeder. The interests of the pig industry are not lost in the office of the Leader of the House.

I believe that people want to know where their food comes from. This takes us back to the question asked by my right hon. Friend the Member for East Yorkshire (Mr Knight). It is right for industry to take the lead. The pork industry has set a standard by creating a voluntary code of practice recommending that labels show the origin of pork and pork products, and that is good for British pork producers. However, I will raise my hon. Friend's concern with the Secretary of State.

Gavin Barwell (Croydon Central) (Con): My local authority, Croydon council, has published a wealth of information about its spending and services—in sharp contrast to Nottingham city council, which, as the Leader of the House said, has refused to do so, reportedly backed by the shadow Leader of the House. May we have a debate on the right of people throughout the country to know exactly how government spend their hard-earned money?

Sir George Young: I repeat my earlier plea to the shadow Leader of the House to persuade Nottingham city council to be more transparent. I understand that it hired a cherry picker and labour to have conkers removed from a chestnut tree owing to a supposed health and safety risk on a school route. I think that people are entitled to know how local authorities spend their money, so that they can reach sensible decisions in the run-up to local elections.

Mr Philip Hollobone (Kettering) (Con): We all know that women are better drivers than men. Is not the recent decision by the European court for injustice to ban gender-based pricing of insurance premiums yet another example of an unaccountable European institution's striking a blow against good old-fashioned common sense, and may we have an urgent debate about it?

Sir George Young: The Government share my hon. Friend's disappointment at the recent decision. We have made absolutely clear that we think it right to take account of gender in assessing risk and reaching a decision on premiums. We now plan to hold discussions with the Financial Services Authority and the Association of British Insurers to establish how we can minimise the damage done by the decision to British consumers, both men and women.

Andrew Bridgen (North West Leicestershire) (Con): This has been a very bad week indeed for Labour-run councils, as their excesses and spending habits have been exposed the length and breadth of our country, from Newham council, which has just spent £111 million on new council buildings, to Barnsley council, which has just cut free swimming at the same time as it is spending £1 million on union posts in the council. Please may we have an urgent debate on local government waste, which would be of particular interest before the district council elections in May?

Sir George Young: I announced in the business statement that there is to be an Opposition day the week after next, and as the subject for debate has not yet been chosen I hope the Opposition will use that day to debate local government, so that we can hear a little more from my hon. Friend and others about the extravagance in Labour-controlled local authorities.

Mr Speaker: I am most grateful to the Leader of the House and other colleagues for their succinctness, which has enabled everybody to contribute.

Speaker's Statement

12.11 pm

Mr Speaker: I have to inform the House that this will be Graham Dear's last day in the Chamber as Principal Doorkeeper. He completed a distinguished military career, ending as regimental sergeant major of 42 Commando Royal Marines, and he joined the House of Commons as a Doorkeeper in 1988. He was promoted to Principal Doorkeeper in 2002 and has served the House with exceptional loyalty and diplomacy. He is highly respected and professional. He has upheld the finest traditions of Parliament with an unshakeable combination of gravitas and style. I thank him for his outstanding service to the House, and, on behalf of the House, I wish him a long and happy retirement.

Points of Order

12.12 pm

Kevin Brennan (Cardiff West) (Lab): First, let me say that I am sure the whole House will want to wish Graham a happy retirement and many more hours on the golf course.

On a point of order, Mr Speaker. Can you confirm that even if a matter on which there is to be a statement is market-sensitive, the Government could, on the previous day, reserve time for the statement after questions without revealing the nature of the statement? It would have been perfectly possible for us to have had a statement now, during what might be referred to as prime time, rather than later today. The Government could also have tabled a motion to allow the Opposition day to go beyond 3 o'clock.

Mr Speaker: The hon. Gentleman raises what, in the circumstances, is a hypothetical question. However, I can say that, yes, that would have been possible, but in the circumstances we have encountered it was not. I hope that he and the House will understand that there is a balance of considerations in these matters. In the situation we faced this morning, it was felt to be important, including by me, to protect the time for the half-day Opposition day debate in the name of the Democratic Unionist party. It is also important that the House should hear the statement from the Secretary of State, and have the opportunity to question him on it, at the earliest practicable opportunity without doing violence to that minority party entitlement. I do not say that the situation is ideal, but what I do say is that a pragmatic approach has been taken in the circumstances the Leader of the House and I encountered.

Mr Philip Hollobone (Kettering) (Con): On a point of order, Mr Speaker. With reference to the question from the hon. Member for Slough (Fiona Mactaggart) about the order of business on the Backbench Business Committee day on Thursday 10 March, it might help the House to learn that, in deciding which debate should go first and which should follow, the Committee takes into account the question of whether motions can be voted on, as votes would eat into the following debate time. That might have been one of the major points that the Committee took into account.

Mr Speaker: I do not think the hon. Member for Slough (Fiona Mactaggart) is in the Chamber at present, but I have a sense that before very long she is likely to hear of the pearl of wisdom the hon. Gentleman offers to the Chamber, for which we are grateful to him.

Opposition Day

[12TH ALLOTTED DAY FIRST PART]

Support for UK Armed Forces and Veterans

12.14 pm

Mr Jeffrey M. Donaldson (Lagan Valley) (DUP): I beg to move,

That this House recognises the valiant service and sacrifice given by the members of UK armed forces in the defence and security of the UK; notes concerns about the current level of support provided to veterans and the families of service personnel; and calls on the Government adequately to fund aftercare services for veterans, including those who have physical disabilities or mental illness, to provide the best support to the families of those who have died as a result of their service, and to honour in full its commitments in relation to the Military Covenant.

My colleagues and I welcome this opportunity to debate a subject that is very dear to our hearts and, I know, to many Members on both sides of the House. I hope the tone of the debate will allow us to engage with the issues, as we do not see this as a party political matter at all. Rather, it presents the House with an opportunity to demonstrate that it wants to do all it can to ensure that the men and women who serve our country in our armed forces are provided with the support and care they need, when they need it.

I want to begin by paying tribute to our armed forces, including those currently serving in Afghanistan and other theatres of conflict. DUP Members are very proud of our armed forces and of the contribution that our men and women from Northern Ireland make to them. I recently went to Afghanistan, where I had the privilege of meeting some of the service personnel in Helmand, including members of the 1st Battalion the Irish Guards, which is based at Camp Bastion and is working with the Afghan national army, and the 1st Battalion the Royal Irish Regiment, which is supported by the 2nd Battalion, the reserve battalion, in doing excellent work on the front line by driving back the Taliban. They bring their experience of Northern Ireland, and their wider experience, to that task.

The reserves play an important role. As part of the review of the reserves, I had the opportunity at the weekend to visit a number of units in Northern Ireland, including the Royal Naval Reserve unit in my constituency at HMS Hibernia, based in Thiepval barracks, and the 2nd Battalion the Royal Irish Regiment and other Territorial Army units.

Northern Ireland has a very small proportion of the UK population, yet it currently provides 20% of reserve forces deployed on operations, and has done so consistently in recent years. That is a remarkable testament to the work of the reserve forces in Northern Ireland, and I pay particular tribute to the Reserve Forces and Cadets Association, which plays a very important role in developing our reserve forces. That 20% statistic demonstrates the commitment to our armed forces in our region of the United Kingdom.

Bob Russell (Colchester) (LD): The last time I visited Afghanistan, I was struck by the number of reservists from the medical profession serving there who came from Northern Ireland. Will the right hon. Gentleman comment on that, and will he also join me in thanking employers who make it possible for their work force to be reservists?

Mr Donaldson: I thank the hon. Gentleman for his intervention. I know he takes a very keen interest in our armed forces, especially in those in his Colchester constituency. He is absolutely right about the role of the reserves from the medical profession. As a result of the troubles, members of the medical profession from Northern Ireland have over the years gained expertise in dealing with casualties in conflict situations, and especially in the consequences of explosive devices. One thinks of the medical staff at the Royal Victoria hospital, Belfast city hospital and other medical establishments in Northern Ireland. Encouragingly, as well as working in the medical profession, some of those people give up their time in the reserves, not only at weekends to provide training for other reservists, but to go to places such as Afghanistan to provide their expertise to help those who are, sadly, injured, many of them seriously. The first time I visited Camp Bastion I met some of the medical reservists working at its excellent hospital facility. They are treating not only service personnel but Afghan civilians injured by improvised explosive devices and gunshot wounds. I commend, as the hon. Gentleman did, the work of our reservists from the medical profession, who give their time and commitment, and are worthy of continuing support. I know that the review of the reserves will touch on this area and I am sure that the Secretary of State will wish to examine that aspect carefully.

On behalf of my colleagues, may I also pay tribute to all the members of the armed forces who have served over the years in Northern Ireland? We recognise the huge sacrifice that was made by the armed forces in seeking to protect the entire community in Northern Ireland from terrorism—the cost was very high indeed. One thinks of atrocities such as the Narrow Water bomb at Warrenpoint, and the Droppin' Well bomb. I know that the hon. Member for Beckenham (Bob Stewart) is very familiar with the latter atrocity as he was the commanding officer at the time and lost some of his soldiers in it. Indeed, he told me rather movingly, as we served together on the Defence Committee, about how one of the young women killed in that explosion died in his arms as he sought to comfort her in her final moments. We do not forget that sacrifice and we do well to honour those who did so much to help bring the relative degree of peace that we enjoy in Northern Ireland today. But for their commitment, their service and their sacrifice, the people of Northern Ireland would not be enjoying the progress that has been made, and that should never be forgotten.

Mr William Cash (Stone) (Con): As one whose father was killed in the last war—I am one of the few Members of this House in that position—may I say that I thoroughly endorse every word of the motion and, if there is any need to do so, I shall emphatically vote for it?

Mr Donaldson: I thank the hon. Gentleman for that. He has always been a Member of this House who has maintained a close interest in Northern Ireland. He has been very supportive, over many years, of the work of our armed forces in helping to secure peace in the part of the United Kingdom represented by my party.

[Mr Donaldson]

My party recognises the pressures that the current operational commitments in Afghanistan put our armed forces under and the accompanying pressures on the welfare system; the more casualties there are, the more difficult it is to meet the demands and the needs arising from them. In addition, the social dynamic is changing; military families and their way of life are changing. They desire home ownership, educational stability for children, and employment opportunities for spouses and partners. Those factors all need to be taken into account in designing the welfare and support mechanisms put in place for our armed forces. Just because things were done in a certain way in the past, that does not mean that they cannot be adapted to suit the circumstances of the 21st century, and that is important.

The need to care for and support people who have been bereaved through the loss of a loved one remains an absolute priority. Just before the general election, I brought one of my constituents, Mrs Brenda Hale, to meet the then Secretary of State, the right hon. Member for Coventry North East (Mr Ainsworth). Brenda lost her husband, Captain Mark Hale, who was serving in the 2nd Battalion, The Rifles, based in Ballykinler in County Down. A very courageous man, Captain Hale had been out on patrol with his soldiers and three of them had been injured by an improvised explosive device. He went back from the helicopter pick-up point to collect the third soldier and as he did so a fellow soldier, Rifleman Daniel Wild, accidentally stepped on another IED and, sadly, that resulted in the loss of the lives of Captain Mark Hale and Rifleman Wild.

Brenda wanted to discuss with the then Secretary of State the manner in which key elements of the support mechanisms put in place to help her as a widow had absolutely failed and, indeed, had added to her difficulty at a time of grief. I commend the right hon. Member for Coventry North East for his approach to Mrs Hale and the offer he made to review the support mechanisms in place for those who lose a loved one on active service. I am sure that the current Secretary of State will carry through that commitment as part of the writing of the military covenant. It is essential that families who lose a loved one in combat are given appropriate care and support when they need it and that the level of support is consistent with the commitments offered through the military covenant.

Tracey Crouch (Chatham and Aylesford) (Con): I recently met two sisters of Captain Daniel Read, who recently died in Afghanistan. They were incredibly supportive of the family liaison unit that was given the difficult task of letting the next of kin—in this case, his wife—know of his passing. They made the proactive and sensible suggestion that the next of kin should extend to the parents, particularly when the soldier is incredibly young. I would be grateful if the right hon. Gentleman commented on whether we could extend the duty of the family liaison officer to informing the parents too.

Mr Donaldson: I thank the hon. Lady for that intervention, which raises an interesting and relevant point. In the context of Northern Ireland, I did some work with the parents of soldiers and police officers whose sons and daughters had been killed on active service during the troubles. We examined this very issue of how they were treated as parents in circumstances where the next of kin was a spouse or a partner. One recognises the need to give a clear place in law and in other ways to the next of kin, but I agree with the hon. Lady that there is a need to respect the position of the parents of a soldier or another member of the armed forces killed in action. Perhaps the Secretary of State might examine the matter in the context of the military covenant. Undoubtedly, the pain caused by the loss of a husband, wife or partner is beyond comprehension, but we should not underestimate the loss felt by a mother or father who loses a son or daughter, so I thank the hon. Lady for her intervention.

I commend the previous Government—I note that the hon. Member for North Durham (Mr Jones) is in his place—on some of the work they undertook in laying the foundations for the care and support that our armed forces personnel receive today. I think particularly of the personnel recovery centres that have been established, which I believe include seven regional centres, and the institution of the Elizabeth cross and scroll. I have met some of the widows who have received the Elizabeth cross and scroll and noted how important it was for them to receive that recognition. We want to put on the record the hon. Gentleman's work in that regard.

Andrew Percy (Brigg and Goole) (Con): I thank the right hon. Gentleman for giving way and I thank him and his colleagues for signing the early-day motion I tabled on behalf of the national Gulf Veterans and families association. An awful lot has been done in recent years to support those people but one group who are still struggling are those suffering from Gulf war syndrome. He will be aware of the evidence coming from the United States. Does he agree that it is time for us to look at this issue again to see how we can better support those who are struggling, particularly this year, which is the 20th anniversary of the end of the war?

Mr Donaldson: I thank the hon. Gentleman for his intervention and I will come to the issue of post-traumatic stress disorder and what is known as Gulf war syndrome. I am aware of and have previously commended in the House the work of the hon. Member for South West Wiltshire (Dr Murrison), who is in his place, and the report that he produced, which I know the Secretary of State has committed to implementing in full. We welcome that commitment and look forward to its being honoured, but we are also supportive of the key points that the hon. Member for Brigg and Goole (Andrew Percy) made in his early-day motion. Some of the soldiers who suffer from Gulf war syndrome reside in Northern Ireland; I have met some of them and am aware of their concerns, and more needs to be done to assist those suffering from that condition.

A harrowing statistic that has been given in the House before, going back to the Falklands conflict, is that more of our armed services personnel who served there took their own lives as a result of the trauma of their involvement in that conflict than died in the conflict itself.

Mr Kevan Jones (North Durham) (Lab): That statistic keeps being repeated, but I ask the right hon. Gentleman to look at the evidence and find out where it comes from, because I do not think it is right.

Mr Donaldson: I am open to being corrected on the statistics. Undoubtedly, a significant number of service personnel find themselves unable to cope, through mental illness as a result of trauma, and take their lives. The hon. Gentleman is right that the point is not about the numbers but about the need that must be addressed. We estimate that there are about 11,000 people with post-traumatic stress disorder in Northern Ireland as a result of the troubles, and the current system is incapable of coping with that. We are having major problems with former police officers feeling the impact of post-traumatic stress disorder several years later. It is important to ensure that they get support and are provided with the care they need—and the same goes for our armed forces personnel. I take the correction that the hon. Member for North Durham has offered. Perhaps I am guilty of repeating something that has been said wrongly in the past, but the point can still be made that significant numbers of people suffer from conditions such as post-traumatic stress disorder and mental illnesses that are directly linked to their service, and we need to prioritise that issue and ensure that those veterans are provided with the support they undoubtedly need.

That brings me to the military covenant. In the motion, we call on the Government to honour the commitments they have made publicly about the military covenant, and I seek the Secretary of State's clarification on this point. Following the general election, the Prime Minister, on a visit to HMS Ark Royal, said:

> "Whether it's the schools you send your children to, whether it's the healthcare that you expect, whether it's the fact that there should be a decent military ward for anyone who gets injured. I want all these things refreshed and renewed and written down in a new military covenant that's written into the law of the land."

I know that there is some concern about what is meant by enshrining the military covenant in law. We welcome that commitment and I know that it is widely welcomed, particularly among the veteran community.

Dr Andrew Murrison (South West Wiltshire) (Con): Does the right hon. Gentleman accept that what is actually important to the veteran community is what they get rather than having the military covenant written into law? Would he prefer to see a no-disadvantage model of the military covenant, in which veterans get the same level of service as the rest of the population, or a citizen-plus model of the sort that endures in the United States, under which people are given more to reflect their service? That is the important point that the veteran community would like discussed.

Mr Donaldson: I merely seek clarification of what is meant by enshrining this in law. Yesterday, in response to a question from my hon. Friend the Member for East Londonderry (Mr Campbell), the Prime Minister said:

> "we are writing out the military covenant and properly referencing it in law."—[*Official Report*, 2 March 2011; Vol. 524, c. 296.]

We are anxious to ascertain what is meant by "properly referencing" the military covenant in law and what the Prime Minister meant by "enshrining" it. I accept the point that the hon. Member for South West Wiltshire has made, but I draw his attention to a letter, which has been circulated to Members of Parliament, from the director general of the Royal British Legion to the Under-Secretary of State for Defence, the right hon. Member for South Leicestershire (Mr Robathan), who is here. The letter expresses concern about what is meant by the commitment to enshrine the military covenant in law, so there are some in the veteran community, represented by the Royal British Legion, who want clarification. I seek that clarification this afternoon on behalf of my colleagues and I hope that the Secretary of State will shed some light on this.

Mr David Hamilton (Midlothian) (Lab): While we are involved in Afghanistan, the armed forces are at the forefront of people's minds, but that will not be the case when things are quieter. Does the right hon. Gentleman agree that one point of enshrining the military covenant in law is to make sure that the armed forces are always looked after, so that we would not need to have this type of debate?

Mr Donaldson: Indeed; I welcome the hon. Gentleman's intervention. Our purpose in putting the motion before the House today even though there have already been debates on these issues, including one on the military covenant a few weeks ago, is to show that we think those debates should continue and that the House should not tire of discussing these issues until we get them right.

Dr William McCrea (South Antrim) (DUP): Surely the point is that all we are asking the Government and the Prime Minister to do is to honour the promise that the Prime Minister made at the Dispatch Box.

Mr Donaldson: I thank my hon. Friend for that comment and I accept the hon. Member for South West Wiltshire's point that what we want in the end is delivery. We want to ensure that armed forces personnel, veterans and their families are provided with the care and support they need, but as there is already debate out there about what is meant by enshrining the military covenant in law, or by referencing it in law, we would like some clarity so we can put the issue to bed and get on with the job of writing the covenant and delivering the commitments that have been given by the Government to those who require that help and support.

Bob Russell: I hope I can help the right hon. Gentleman. I served on the Select Committee that considered the Armed Forces Bill and there was certainly some debate, which continues, on exactly what is meant by the terminology "armed forces covenant" and "enshrined in law". The Royal British Legion has got this right. The Government have now enshrined it in the Bill and there is discussion about what that actually means. That is what this is all about.

Mr Donaldson: I thank the hon. Gentleman for making that point and I look forward to hearing what the Secretary of State has to say on behalf of the Government.

Mr Kevan Jones: It is interesting that the hon. Member for Colchester (Bob Russell) is continuing the way he acted in Committee by supporting everything the Government do. The Opposition tabled an amendment in Committee to enshrine the covenant in law, but he and the Government voted against it.

Mr Donaldson: Certainly, we and other hon. Members on both sides of the House want the military covenant to have a firm legal basis, so that all service personnel, their families and veterans are clear about their entitlement and so that it is protected by the law of the land. That is what we are seeking to achieve.

In addition, the resourcing of the covenant and putting in place the support services needed to deliver the commitments set out in the covenant are equally important. That should include adequate support for bereaved families, adequate treatment and care for injured service personnel, adequate welfare provision for the families of service personnel and, crucially, continuing care and support for veterans—those who have served this country so well in the past. I also include the need to ensure that personnel who are transitioning to civilian life at the end of their service are properly supported. That is a key element. Indeed, in the current context of redundancies, it is important that those matters are handled properly and sensitively. I welcome the commitments that the Secretary of State for Defence has given previously in the House to achieving those objectives.

Ian Paisley (North Antrim) (DUP): We must emphasise the fact that we welcome what the Minister said in the House yesterday, as reported at column 309 of the *Official Report*, when he indicated that he would allow discussions between us and the chiefs of staff to ensure that the regional representatives can make a good case for those soldiers who will face redundancy and for those who will not. We welcome the opportunity to have those discussions at some length.

Mr Donaldson: I thank my hon. Friend for that intervention and endorse what he says.

We hear much about the big society. I warmly applaud the work of the military-linked charities, such as the Royal British Legion, which we have already mentioned, Help for Heroes, the Army Benevolent Fund, or the Soldiers Charity as it is known now, and Combat Stress—to name just a few of those that do some excellent work—and it is important that the military covenant seeks to bridge the gap between what the Government can provide and what the third sector can provide. There is an opportunity to show the big society at work, helping our armed forces and our veterans, and I hope that the Government will continue their discussions with those charities and others who work with services personnel and veterans, to ensure that a joined-up approach is taken.

Innovative thinking is also needed. I want to refer to a project that has considerable merit: the proposal that HMS Ark Royal should be brought to the Thames, close to London City airport, across from the dome and close to where the Olympics will take place next year, to provide accommodation for those who have served, perhaps through Homes 4 Heroes, and work for veterans. That is about the third sector joining up with the Government and using part of our military heritage to deliver something that is of benefit not just to the military community, but to the wider community in that part of London.

We must close the gap between the third sector, represented by the military charities, and what the Government can do, especially given the increasing numbers of wounded personnel returning to society. That figure will undoubtedly be compounded by a large number of redundant military personnel who will need to resettle in the community. Projects such as the Army recovery centres and the proposal to bring the Ark Royal to London are examples of the initiatives that we would like the Ministry of Defence to develop with the service charities. I am sure that the Secretary of State will look with interest at the proposal for the Ark Royal.

Mr Cash: Would the right hon. Gentleman be good enough to recall also the War Widows Association, which does such good work in relation to the activities of the British Legion and others?

Mr Donaldson: Indeed; I echo the hon. Gentleman's comments. He is right to highlight the work of that association, which goes back a long time and is much valued.

Working with the charities, building on the concept of the big society, is important. I talked about the joined-up approach, and I want to mention an example that is not joined up at the moment. At the moment, the Treasury requires military bands to charge the full rate to charities that seek to raise money to help our armed forces personnel. I have a recent example of that happening in Northern Ireland. We have one military band in Northern Ireland—the Territorial Army band of the Royal Irish Regiment—and it is made up of reservists. That is the only option that we have available in Northern Ireland if we want to use the services of a military band.

A number of charitable events organised by the Royal British Legion and the Soldiers Charity in Northern Ireland have been cancelled recently, because they would be charged £3,000 for the use of the Royal Irish Regiment band. Those events are therefore no longer viable, so there is a loss of revenue and income to the very charities that we want to encourage to work with the Government to do more to help our service personnel and veterans. The Government could address that lack of a joined-up approach. I hope that we can revert to the situation where a reduced charge is made to use military bands for the purpose of raising money for charities that directly benefit our armed forces personnel and veterans. That was the position that prevailed before, and I hope that it will prevail again in the future.

Not only do charities need to be assisted to raise money by using military bands, but the Royal Irish band, which is popular in Northern Ireland, is an excellent recruitment tool and helps to promote the Army in the community. We have had difficulties in the past with community engagement because of the sensitivities in Northern Ireland, and the band is getting to places that it has not been able to get to before. What do we do when we are making that progress? We up the charge, and the number of events in which the band can participate is reduced. Its ability to assist military charities to raise much-needed funds is reduced. If the big society is to work, we need to address such issues.

Bob Stewart (Beckenham) (Con): As a previous band president, I absolutely endorse what the right hon. Gentleman says. It would be good if the separate charges for bands were removed, so that we could get more money for charity events.

Mr Donaldson: I thank the hon. Gentleman for his contribution, and I am sure that the Secretary of State is listening carefully to what has been said on the subject. If he has never benefited from the music of the Royal Irish Regiment band, I suggest that he find an opportunity to do so; "Killaloe", in particular, is a very popular choice back home.

As I bring my remarks to a close, I want to touch on just one other subject: pensions for our armed forces personnel. My hon. Friends and I are concerned about the proposal to link pensions to the consumer prices index, rather than the retail prices index. That proposal will have an enormous impact on the former service personnel who rely on their armed forces pensions in retirement. It will result in their pension entitlement being reduced significantly during their years in retirement. We ask the Government to look again at what they are doing on the issue.

Mr Nigel Dodds (Belfast North) (DUP): My right hon. Friend makes an extremely important point. Changing the inflation link by using the CPI will reduce pensions over the long term. It could cost people tens of thousands of pounds in income. It is particularly invidious given that the CPI does not take proper account of housing costs, which are a vital element for veterans and ex-service personnel, so I entirely endorse what he says and hope that the Secretary of State will take that on board.

Mr Donaldson: I thank my right hon. Friend for that comment.

I would like to make another point that has been raised before in the House and is the subject of early-day motion 484: the question of the rank that a soldier holds at the time of his death and the impact on the pension paid to his family and surviving spouse. There is a rule that pensions on promotion are payable only after a new rank has been held for a year, which means that the families of some of our armed forces personnel who have been killed on active service have received a pension below the level that is consistent with the rank held at the time of death. I am thinking, in particular, of the case of Sergeant Matthew Telford from Grimsby, who was promoted to the rank of sergeant in June 2009 and killed that November. His family were paid a pension below the level that would have been payable to that rank.

The Secretary of State for Defence (Dr Liam Fox): In such cases, we have instructed that compensation should be paid to increase the pension to the same financial level. The Government intend to change the law so that in future it will be much clearer that pensions should be paid at the level of the acting rank at the time any member of the armed forces is unfortunately killed. I think that that is what the country would expect us to do in order to be fair.

Mr Donaldson: I warmly welcome the Secretary of State's comments and the fact that the Government are committed to dealing with the problem, in the short term through the payment of compensation and in the longer term by changing legislation. That will be widely welcomed within the armed forces community.

I want to mention briefly the pensions payable to Gurkhas. The Secretary of State will be aware of the campaign that the Gurkhas have been pursuing on the level of pension they are paid. I recently met some of their representatives, who told me that there are 10,000 former Gurkhas in Nepal living in poverty—their figures, not mine—and that although those Gurkhas who live in the UK qualify for pension credit, that costs more than would a proper pension. If we are subsidising their pensions with pension credit, why not just pay them an equal pension? I hope that the Secretary of State and his colleagues will look at that. The Gurkhas have made an enormous and valiant contribution to our armed forced over the years. I know that improvements have been made in the level of welfare and support that they receive, but I hope that the Government will seek to address this issue.

I welcome the opportunity to have this debate. We stand ready to support the Government in taking forward the military covenant and want to see them honour all the commitments they have made. I look forward to hearing what the Secretary of State has to say.

12.53 pm

The Secretary of State for Defence (Dr Liam Fox): The Government support the terms of the motion on the Order Paper and will support it in the Lobby if necessary, which should give some comfort to my hon. Friend the Member for Stone (Mr Cash). The debate gives us another opportunity to express our support for those who have given, and continue to give, so much to this nation in service and sacrifice.

I would like to pay tribute to Lance Corporal Liam Tasker from 104 Military Working Dog Support Unit, the Royal Army Veterinary Corps, who was killed in action on Tuesday 1 March while on patrol attached to 1st Battalion the Irish Guards. He and his working dog, Theo, who also died, undoubtedly saved the lives of many—military and civilian—by their tireless efforts to find improvised explosive devices.

As the motion has been tabled by the Democratic Unionist party, I also want to pay particular tribute to those men and women from the Province who have served their country around the world with great distinction. As we hold this debate, the Royal Irish are making an enormous contribution to our efforts in Afghanistan, and paying a high price.

The men and women of our armed forces are volunteers. That is what makes their bravery and selfless service so special. They choose to serve, but they do not choose where that service will take them. Whether in Afghanistan, north Africa, as in recent days, or on other current operations around the world, they apply their considerable skills in the national interest to keep the citizens of this country safe. They do not serve for an easy life; they risk life and limb on our behalf, and they sacrifice some of the freedoms that many of us take for granted.

Their families also play a vital role in supporting their loved ones and must deal with some of the hardships of service life. The whole nation, not just the Government, has a moral obligation to those who serve in our armed forces, past and present, and their families. We owe them our gratitude and respect. But we owe them more than kind words; we owe it to them to make sure that they are treated fairly and receive the support they need.

[Dr Liam Fox]

There is no doubt about the general desire in this country to improve and develop the military covenant, the timeless bond between the whole nation and the armed forces. It encompasses those of all ages and social groups in all parts of the UK, those with different politics and those with none at all. On behalf of the Government, we placed at the heart of our programme for government our commitment to rebuild the military covenant. For the first time, a tri-service armed forces covenant is being drafted after wide consultation and is being recognised as existing in the law of the land. We are taking steps to ensure that we will make a real difference to the lives of serving personnel, their families and veterans by putting in place the practical help, which is how that covenant will be judged. In the nine months that we have been in office, we are well on the way to delivering on our commitment, and I will set out some of that progress today.

But let me also be clear about the challenge we face, because we must be balanced and realistic in our aspirations. In the difficult economic circumstances that the coalition inherited, with all parts of society having to make sacrifices, repairing the covenant will not be easy or straightforward. The previous Government left us not only a record national debt that is increasing day in, day out because of the deficit, but a hole in the defence budget itself. However, because of the priority we place on security, the defence budget is making a more modest contribution to deficit reduction than almost all other Departments.

We have still had to take difficult decisions in the comprehensive spending review and the strategic defence and security review that will have repercussions for some members of the armed forces and their families. These include, for instance, decisions on pay and allowances and, as we discussed in the House yesterday, the decisions to reduce the size of the armed forces establishment. I regret that we have had to take some of these measures, just as I regret the need to cut the defence budget as a whole and some of the measures that we are having to take across Government to pull the nation back from the brink of bankruptcy.

The previous Government's disastrous economic legacy means that there is simply not the money and flexibility to do all that we would like to do as quickly as we would like to do it, but where we can act early to repair the covenant we are doing so. In our nine months in office we have already made great strides in improving the conditions for those who serve on the front line. One of the first actions taken by the new Government was the doubling of the operational allowance that had been paid under the previous Government to over £5,000 for a typical six-month tour. We have changed the rules on rest and recuperation so that any days of leave lost due to delays in the air bridge or any other operational requirements will be added to post-tour leave.

We will provide university and further education scholarships, from the academic year that began in September 2010, to the children of members of the armed forces who have been killed since 1990. We have included 36,000 service children as part of the pupil premium, recognising the uniqueness of service life and its effect on service children and service communities. Because the unseen mental wounds of war have too often gone undiagnosed and untreated, and because the pace and nature of operations over the last decade mean that more could be suffering in silence, we have made mental health care a key priority. We have committed an extra £20 million in the SDSR for health care and are pressing ahead with implementing the recommendations made by my hon. Friend the Member for South West Wiltshire (Dr Murrison).

The Department of Health is commissioning 30 whole-time equivalent veterans mental health professionals to deliver improved NHS mental health services to veterans, including introducing structured mental health surveillance inquiries to routine service medical examinations and to all discharge medicals. They will work under the direction of the armed forces networks and forge links with health and other statutory agencies and with the voluntary sector.

Jim Shannon (Strangford) (DUP): On the subject of those returning from Afghanistan and Iraq with emotional problems and trauma, it is all very well to have a system in place, but is there a monitoring system so that someone can follow up on a person who is at home on their own and who sometimes faces all that trauma and horror on their own?

Dr Fox: Indeed. As I say, those professionals will work under the direction of the armed forces networks and forge links with health and other statutory agencies and with the voluntary sector. I was going on to say that they will also undertake outreach work to identify cases and refer individuals to veterans organisations and to other professionals. In addition, a new 24-hour veterans mental health helpline is now being switched on and will be formally launched later this month.

The hon. Gentleman is absolutely correct, because the safety net will not be of full value unless people know how to access it. That means advertising what is available, ensuring that there are joined-up networks throughout government and that, at the point of discharge from the armed forces and later on through outreach work, we are able to look at those who are most at risk.

The previous Government and the American Government have done a great deal of work on how to identify individuals who are at risk, and that is an ongoing scientific project. Western Governments in general are trying to grasp the issue to see whether they can clearly find those who might be at higher risk and put in place additional checks to follow them through the system. As that information becomes available, the Government will take it forward.

Andrew Percy: I thank the Secretary of State for his comments, and for his action on mental health support. Organisations such as the one I mentioned, the national Gulf Veterans and families association, which is based in east Yorkshire, will welcome that news, but will he confirm what I think he is saying, which is that that service will be provided not just for recent veterans but for veterans of older conflicts, and that the Department will work as hard as possible to identify such people, many of whom are difficult to identify?

Dr Fox: My hon. Friend makes a very good point, and that is the exact aim behind what the Government are doing. As more evidence comes to light about how we can follow up on people who might be at higher risk, we might stop people falling through the net that is meant to be there to protect them. When we look at the issues of homelessness, the prison population and so on, we need to ensure that we make available the appropriate care at the time that it is needed in the cycle, so that we can obtain the best outcomes for service veterans.

Mr David Hamilton: I agree wholeheartedly that the after-care service needs to be upped; that is important. The health service in Scotland is devolved, however, so will the right hon. Gentleman take care to ensure that there is no disconnect between the MOD, the devolved Parliaments and the health service?

Dr Fox: The hon. Gentleman makes a very good point. The armed forces represent the whole United Kingdom, and it would be a dereliction of duty if we did not ensure that the same service were available throughout the United Kingdom. It is therefore incumbent on the devolved Administrations to work with the Government to ensure that those mechanisms are put in place. My colleagues and I will certainly take opportunities to talk to the devolved Governments, as we do, and on that issue we will want to be as close to uniformity as possible, given of course their freedoms to put different mechanisms in place. He makes a very good point, however, and I shall ensure that I reinforce it when I next meet the devolved bodies.

As I said, we are about to launch formally the new 24-hour veterans mental health helpline, which will be operated by the Rethink charity on behalf of Combat Stress and funded by the Department of Health. We believe that it will help to tackle one of the most difficult aspects of mental health care by creating an environment where those who fear that they are suffering from mental problems can get in touch with someone who understands not only the problems themselves, but the stigma that some veterans still feel is attached to coming forward. This goes back to the point that the hon. Member for Strangford (Jim Shannon) made. We have to ensure that there are services, and that those who need them are willing and able to access them, because that is what ultimately determines the outcome. Such initiatives show how we are working effectively with other agencies—whether Government or charities—to provide the services that people need.

The role of service personnel families is not always so visible, but it too is crucial to our defence effort. Service families bear a lot of the pressure. From the five years that I worked as a doctor with service families, I know the pressure that they can be under, and it is often invisible to those outside the armed forces. They share the burden of frequent moves, sometimes at short notice, with disruption to careers and to children's education. They often share the experience of service accommodation, and when their loved one is away on operational service, sometimes in dangerous circumstances, they in particular deserve our understanding and support, given their vital role in ensuring that our operations are a success.

Bob Russell: Families not only need our understanding and support, but decent houses in which to live. Does the Secretary of State agree that the quality of some family housing is not acceptable, and that it is one area in which the Government have to find the money? If we are to send soldiers to put their lives on the line in Afghanistan, the least we can do is ensure that their families back home have decent accommodation.

Dr Fox: My hon. Friend makes a useful point, which I shall come to in a moment.

The wide range of welfare support for families is being expanded. As set out in the defence and security review, the Ministry of Defence is starting work on developing options for a new employment model. Its aim is to provide an overall package, including career structure, pay, allowances and accommodation policies, that offers greater domestic stability, helping spouses to pursue their own careers and supporting children's education, while still allowing for mobility when it is essential to defence requirements.

We would dearly like to do more, for example on improving service family accommodation, which my hon. Friend mentions and we know to be one of the greatest concerns to service families. About £61.6 million has been allocated in the current financial year for the upgrade of, and the improvement programmes for, service accommodation. That will include upgrading some 800 service family homes to the top standard, with a further 4,000 properties benefiting from other improvements such as new kitchens, bathrooms, double glazing and so on.

It would be dishonest of me, however, if I were not to say that we must recognise that we cannot go as far or as fast as we would like to, given the economic situation that we have inherited, but we can and will do what we can, when we can.

Ian Paisley: I thank the Secretary of State for giving way on the important issue of housing. On a related issue, service personnel ultimately could be made redundant and return to the private sector, putting pressure on the private sector housing market. People might then want to get on to the Housing Executive's list in Northern Ireland. Could some effort be made to ensure that former Army personnel are entitled to additional points, so that they can obtain public housing? It is crucial to ensure that our military personnel are not turned down or moved down the list when they should be entitled to public housing.

Dr Fox: The hon. Gentleman makes a very compelling point, with which I have some strong personal sympathy. I shall take the issue back and have it looked at on a cross-government basis to see whether it is indeed possible to make the general change that he mentions. If there is a specific problem relating to Northern Ireland, I am very willing to talk to Members about it to see whether there needs to be anything specific to Northern Ireland in any changes that might be made. He makes a good, valid and reasonable point that will probably get fairly widespread support across the country as a whole.

Another part of the UK's defence capability, and thus the armed forces community, is our reserve forces. The Ministry of Defence is responsible for ensuring that reservists are treated fairly and with respect, and that they are valued. In the drafting of the armed forces covenant, reserves have been considered equally alongside regulars. That will set the tone for Government policy aimed at improving the support available for serving

[Dr Fox]

and former members of the armed forces, and the families who carry so much of the burden, especially, as we remember today, in the event of injury or death.

Rebuilding the military covenant is not just a matter for the Ministry of Defence. Supporting the men and women of our armed forces, during and after their service, is very much the business of the whole Government—and indeed, as my hon. Friend the Member for Brigg and Goole (Andrew Percy) said, of the whole of our society. The measures that I have described show how my colleagues the Secretaries of State for Health, for Education and for Business, Innovation and Skills—to name but three—are fully engaged in this wider endeavour. The devolved Administrations, local authorities, and even individual GPs all have an important role to play. The public sector does not do all the work; the service and ex-service charities are, rightly, also part of that network of support that the former service person has a right to expect.

We need to ensure that progress is made year on year. That is why we have brought forward measures in the Armed Forces Bill requiring the Defence Secretary to present an armed forces covenant report to Parliament every year. I hope to deliver the first of those reports in the autumn. It will not simply be about the relationship between the Government and the armed forces but, as I have set out, a wider picture of how the covenant is being respected across the whole of our society, including, as has been pointed out in this debate already, the charitable sector, which has a role to play. The right hon. Member for Lagan Valley (Mr Donaldson) asked about that specific element. We have decided that a tri-service covenant should be developed along with the armed forces, the charitable sector and interested parties, including veterans, and that the Secretary of State will be answerable for how that is put into practice.

There is a genuine debate to be had about other ways of doing this, and it is fair that we consider those today. Some believe that we should have definable rights, enshrined in law; if so, they should make that clear. However, when rights are defined in law, they become justiciable. There are potentially complex and expensive legal implications for that, right up to interpretations by the European Court; Members would not expect me to go into private grief on that particular subject. If one were to apply rights in law, one would need to consider, given that the military covenant is not delivered only by Government, the implications for the charitable sector in terms of its legal obligations for delivery.

It is a complex argument, and there are perfectly reasonable points of view to be expressed on either side. The Government have decided that the best way to ensure that this is recognised in law is to develop the tri-service covenant and for the Secretary of State to make a statement so that Parliament as a whole can assess how it is being delivered. Ultimately, although we in this House will have a lot of debate about process, what matters is outcome and whether service personnel and veterans are getting an improvement in what society as a whole has promised to deliver, and wants to deliver, to them.

I welcome the support in this House for members of the armed forces community. That is why the Government support this motion, just as I hope the House supports the positive measures we are taking. The coalition Government will continue to rebuild the armed forces covenant. I wish we could go faster, but we will go as fast as we can.

1.14 pm

Mr Kevan Jones (North Durham) (Lab): May I begin by associating myself and my party with the remarks of the Secretary of State about Liam Tasker? The work that he was doing was vital not only in securing and supporting his colleagues and comrades but in bringing peace to Afghanistan. We should think today of his bravery and the sacrifice that he has made, and also think of his family and his comrades who have been left behind.

I congratulate the right hon. Member for Lagan Valley (Mr Donaldson) on securing this debate. As the Secretary of State said, when I was at the Ministry of Defence, I had the honour of visiting Northern Ireland on a number of occasions. I concur with his view about the contribution that people from Northern Ireland make—not only servicemen and women but their families—in supporting our armed forces and making the valiant contribution that they are making today in Afghanistan.

Our commitment to the men and women of our armed forces is non-negotiable. As Veterans Minister, I was always very proud of the support that the British people gave to our servicemen and women and their families, recognising their courage, skill and dedication. We must do our best not only to honour them when they make the ultimate sacrifice but to support them while they are in service and throughout life.

I should like briefly to touch on what the right hon. Member for Lagan Valley said about the previous Government's commitment to this issue and the contribution that we made to supporting not only our servicemen and women but their families. The Command Paper to which he rightly referred was a groundbreaking piece of work initiated by my right hon. Friend the Member for Coventry North East (Mr Ainsworth) when he was Minister of State at the Ministry of Defence. For the first time, it looked across Government and got different Departments working together. The Command Paper had two fundamental principles: first, to recognise and end the disadvantages created by military-style life—for example, where being moved meant losing one's place on waiting or housing lists—and secondly, to recognise that at all times it is right and necessary to provide special treatment, whether in removing disadvantage or in recognising the sacrifice made by those who have been seriously injured in the service of their country.

That piece of work was a landmark document. It did not just gather dust; it was implemented through working across Government and, for the first time, getting other Government Departments thinking about veterans and servicemen and women and their families when they were developing policies. I hope that it has left a good foundation for the coalition Government to build on. I put on record my thanks to the Royal British Legion for its campaign and the work that it continues to do not only in highlighting our debt to our servicemen and women and their families but in ensuring that all politicians recognise that debt.

When we published the Command Paper, we were criticised in certain quarters for trying to ensure that we honoured the covenant. Unlike some Conservative politicians who were happy to take pot shots at us when we were in government, I never believed that the covenant was broken; rather, it was something that we were able to build on through the Command Paper. We did much to be proud of, in which I was directly involved, in improving the lot of servicemen and women and veterans.

The hon. Member for Colchester (Bob Russell) mentioned service accommodation. When I was a Minister, he was always knocking on my door to advocate and lobby for improved accommodation in Colchester. We made some great strides in improving accommodation, although that was made very difficult by the decision taken in 1996 by the previous Conservative Government to sell off Army housing to a Japanese bank.

Bob Russell: The hon. Gentleman is right to refer the House to the disgraceful privatisation involving Annington Homes. Does he agree that every pound of public money that is spent on improving the housing stock increases the value of that property to Annington Homes?

Mr Jones: It is on the record that that was a lousy deal for taxpayers, our servicemen and women, and their families. The important point is that we invested in new housing. In some cases, it was difficult to negotiate around the Annington Homes deal because of how it was structured.

The new single living accommodation that has been put in place through SLAM—the single living accommodation modernisation project—is some of the best anywhere in the world in terms of quality. The millions of pounds that we spent to improve service accommodation were recognised in 2009 by the National Audit Office, which stated that 90% of service families' accommodation were in the top two of four standards for condition and met the Government's decent homes standard. I accept that there is still accommodation that is not acceptable, and that sometimes the way in which service families were treated was wrong. Sometimes they were treated as though they were in the Army as well. On occasions, we did not get that right and did not recognise that the families should be looked at as customers, rather than as simply part of their partner's employment conditions.

Health care is another area that the previous Government can be proud of. The new Queen Elizabeth hospital in Birmingham has dedicated military wards, and we put money into Headley Court to provide first-rate and world-beating rehabilitation for those who are severely injured in the service of their country. One of the things that I am most proud of from my time as a Minister is the Army recovery capability project, and I am pleased that the Government are following through on that. We owe a debt to the severely injured. We must not forget them when the headlines go away, but must have a long-term commitment to them.

Mr David Burrowes (Enfield, Southgate) (Con): The hon. Gentleman mentioned our debt and said that we must not forget. Will he recognise an area of support for the armed forces that has not been mentioned, which is remembering those who have fallen? Will he join me in welcoming the recent decision of the Under-Secretary of State for Justice, my hon. Friend the Member for Reigate (Mr Blunt) to recommend to the Sentencing Guidelines Council that the desecration of war memorials should be considered as an aggravating factor, to reflect the seriousness of such offences?

Mr Jones: I do welcome that announcement. As a commissioner of the Commonwealth War Graves Commission, I think that it is very important that anybody who desecrates such monuments, whether or not they are Commonwealth War Graves Commission monuments, should be dealt with severely. The disgraceful scenes that we have seen of people desecrating war memorials are totally unacceptable and should be condemned.

Dr Murrison: In the "National Recognition of our Armed Forces" study, Lord Davies of Stamford, the former Member for Grantham and Stamford, stated that if those who wear the Queen's uniform are insulted, that crime should be subject to special sentencing. Does the hon. Gentleman still hold to that?

Mr Jones: It is totally unacceptable for anyone to be disrespectful to anybody in uniform, whether they are a member of our armed forces or of any other service that works on our behalf, such as the police or fire services. If the hon. Gentleman wants to put forward that policy now that his party is in government, I am sure that it will be supported by Opposition Members.

Another aspect of health that we must refer to is mental health, and I pay tribute to the work of the hon. Member for South West Wiltshire (Dr Murrison) in that area. In government, we made great strides with the mental health pilots and the medical assessment programme at St Thomas's hospital under Ian Palmer, which was there to provide support to all veterans, including Gulf war veterans, who were mentioned by the hon. Member for Brigg and Goole (Andrew Percy) who is no longer in his place. I support anything that improves mental health services. The Command Paper did that by allowing us to work with the health service to ensure that mainstream mental health services reflect the needs of veterans.

Miss Anne McIntosh (Thirsk and Malton) (Con): The hon. Gentleman will be aware that veterans, particularly those who have served in recent conflicts and particularly those who suffer from mental health problems, are not well served in northern England and frequently have to travel some distance. I hope that we can have an all-party approach to reaching a better conclusion on those treatments.

Mr Jones: I am surprised that the hon. Lady says that, because one of the mental health pilots was in the Tees, Esk and Wear Valleys NHS Foundation Trust, which covers my constituency in Durham and hers. That pilot was specifically about ensuring that local services such as mental health nursing recognised the needs of veterans. I am not sure where the Government have got to in that work, but anything that can be done to roll it out should be done. I agree with her that services need to be local. If possible, people should not have to travel long distance to access them.

I know that the new veterans Minister, the Under-Secretary of State for Defence, the right hon. Member for South Leicestershire (Mr Robathan), agrees that

[Mr Kevan Jones]

when we are debating mental health issues relating to veterans, we should not lose sight of the fact that although post-traumatic stress disorder is a personal tragedy for every individual who suffers from it and for their families, it affects a small proportion of the population—something like 4%. Other areas, such as depression and alcohol abuse, need the same concentration and support. We need to focus the media portrayal of this issue back on to those other areas, and not just label everything as PTSD.

The previous Government can also be proud of doubling the compensation paid to injured servicemen and women. No amount of monetary compensation can repay the sacrifice of the veterans with horrific wounds whom I have met. However, we helped by doubling the amount and by ensuring that, for the first time, such people received lump-sum payments. Before the Armed Forces (Pensions and Compensation) Act 2004, they did not get lump-sum payments, although if one read the newspapers of the time, one would have thought that they had always existed. I put on the record my thanks to Lord Boyce, who did a valuable job in fine-tuning the compensation scheme and bringing it up to date. I know that the Government are committed to implementing his recommendations.

Service charities are also important, as has been recognised by the Secretary of State and the right hon. Member for Lagan Valley. The Royal British Legion has been mentioned, as have the Soldiers, Sailors, Airmen and Families Association and the Army Benevolent Fund. Those organisations are not just about fundraising, but contain a vital network of unpaid volunteers who, week in, week out, go into veterans' homes to support them. I thank those volunteers for the work that they do. Combat Stress does a vital job in ensuring that individuals who suffer from mental illness access the support that they require. We need to ensure that there is better co-ordination in the charities sector. That is happening through some of the initiatives that I implemented, and it is being followed through to ensure that there is no duplication. I stress from the Dispatch Box that what we need is not new service charities, but for existing charities to work closer together, which they are, to ensure that the support is there.

Dr Murrison: The hon. Gentleman is being very generous in allowing interventions. May I counsel caution? Many micro-charities are spontaneous and very British, if I may put it in that way. They reflect the public's desire to do something immediately. Often, they are part of the grieving process. I therefore urge caution about laying into such small charities.

Mr Jones: I take that point on board, but the best thing to do would be to focus fundraising efforts on the existing charities. The Royal Navy is rationalising its smaller charities. That is not being done to denigrate their work, because some of them do key specific work, but it is important that there is better co-ordination between them.

Ian Paisley: I believe that there are something like 2,000 such charities, many of which are doing an excellent job, and that they are issue-specific and will fade out. There is a strong case to be made for co-ordinating and consolidating their work.

Mr Jones: I believe the Confederation of British Service and Ex-service Organisations is working with the Veterans Minister to consider how we can get better co-ordination between those charities, which will be very important, especially when the clientele of some of the smaller charities pass away over the next few years. I am thinking, for example, of the Association of Wrens, which I believe has an end-date by which it will wind itself up and merge with other naval service charities. I put on record again my thanks to the individuals involved in such charities.

The right hon. Member for Lagan Valley mentioned the covenant, which it is important to consider. The previous Government were quite clear in our Command Paper about where our work on that would go next, and the Green Paper that I produced in 2008 considered ways of embedding in law the covenant and other matters covered in the Command Paper. I am sad that the Government are not following through on that work, and I agree with the right hon. Gentleman that the Prime Minister's commitment on the deck of the Ark Royal is in sharp contrast with what has happened in practice.

The opportunity provided by the Armed Forces Bill is being missed, because the covenant is not being enshrined in law. Members have mentioned the Royal British Legion, which clearly feels let down. It saddened me that when I tabled an amendment to the Bill in Committee a few weeks ago, the Conservatives and Liberal Democrats voted against it. That was a missed opportunity, and we need to revisit the matter.

Dr Fox *rose—*

Mr Jones: If the Secretary of State is rethinking the matter, I will very much welcome it.

Dr Fox: This has been a very open debate so far. Perhaps the hon. Gentleman can explain to me whether, in his eyes, putting the military covenant into law means creating specific, definable rights for certain members of society. Will he give us an example of what sort of rights those might be, and what legal advice the Opposition have been given about the justiciability of such rights?

Mr Jones: If the Secretary of State has looked at our Green Paper, he will have seen what I was proposing. I agree that we should not create a feast for lawyers, but we wanted to ensure, for example, priority access in the health service, which we believed could be legally enforceable. My recent amendment suggested that the local government ombudsman should be responsible, as was suggested in the Green Paper. I accept that there is resistance to that, not from the Ministry of Defence but from other Departments. However, people ask whether veterans should get special treatment, and, in my opinion, they should.

Mr David Hamilton: It might help if I say that in my local authority area veterans get priority in housing. We have the Glencorse barracks in my area, and people coming out of the armed forces have always gone to the top of the list. That is enshrined in the rules. Such a provision in law could make every local authority comply with that arrangement. They do not all do it at the moment.

Mr Jones: I am aware of that, and I know that other local authorities including Wigan have changed their housing policies to do exactly the same thing. The Prime Minister made a clear commitment to enshrining that in law, as the quotation that we have heard this afternoon shows. The Armed Forces Bill does not do that, and if the Government are rethinking ways of doing it, they will certainly have the Opposition's support and assistance.

Ian Paisley: I welcome the Secretary of State's statement, and I welcome the hon. Gentleman's support for it. There is a strong case to be made that it is a national issue. When a soldier comes out of the Army, they should be able to settle in public housing somewhere with their family and expect something in return for the service that they have given this nation. It is a very small ask, and we should insist on it.

Mr Jones: I totally agree. The danger with the system outlined in the Bill is that the Secretary of State will produce a report without any independent input. As I said in Committee, I do not question for one minute the Secretary of State's integrity or his intention to ensure that everything that should be in the report is in it, but a future Secretary of State could decide that certain matters should not be. That is a missed opportunity, and I hope that when the Bill goes to the other place it will be amended to ensure that the covenant is enshrined in law.

Bob Russell: It is.

Mr Jones: The hon. Gentleman chunters on about that, and I know he is doing his best to support the Conservatives now—I believe he is known locally as Tory Bob these days. I found it remarkable that he was the only member of the Public Bill Committee who was doing the Government's heavy lifting. It is important that we enshrine the covenant in law, and if the Government reconsider the matter they will certainly have our support.

The right hon. Member for Lagan Valley mentioned Gurkha pensions. As Members know, I have form on that matter. I wish to dispel some of the myths that continue to be portrayed in the newspapers and media about the equalisation of pensions. A Gurkha can retire after 15 years of service, so in some cases they retire on a full pension at about 35 years of age, or even younger. If pensions were equalised, most Gurkhas would not gain anything at all, because their UK counterparts cannot access their pension until they are 60. Backdating would mean their getting not just equalised pensions but actually better terms and conditions than other servicemen and women in some cases. Before 1975, service people got no pension whatever unless they had 22 years' service. It is important that the facts are examined in detail.

Thomas Docherty (Dunfermline and West Fife) (Lab): Perhaps it might be of interest to my hon. Friend to hear that recently some Gurkha campaigners have been writing to the Defence Committee complaining that although the Government parties used a lot of rhetoric in opposition, the great promises that they made have been abandoned since the formation of the Government. The campaigners feel let down.

Mr Jones: I have friends on the Government Benches, and I know that even when they were in opposition some of them privately agreed with my position and that of the Government at the time. Clearly, in the hubris of the campaign, opportunistic Liberal Democrats got carried away. Unfortunately, Gurkhas and their families are now feeling the consequences. The Under-Secretary of State, the hon. Member for Aldershot (Mr Howarth), will have to answer questions about that.

The right hon. Member for Lagan Valley said that 10,000 Gurkhas are living in poverty. There are two separate types of Gurkha pensioner—welfare pensioners, who do not accept pensions, and service pensioners. When I visited Nepal, I saw that service pensioners are some of the wealthiest individuals in their local communities. Although they have a pension of only about £170 a month, that is equivalent to the income of an engineer or a junior doctor, so people need to examine the facts. Welfare pensioners are supported very ably by the Gurkha Welfare Trust and the Ministry of Defence, both financially and through logistical support on health and education.

Once again, I welcome the debate. Our brave servicemen and women are serving around the world, and we have a debt to them not just now but for years to come. It is right that they have had a lot of attention and recognition while they have been serving in Iraq and Afghanistan. As my hon. Friend the Member for Midlothian (Mr Hamilton) said earlier, it is important that in future years, when the spotlight has perhaps moved elsewhere, we do not forget our debt to them. I will work with anybody who wants to ensure that servicemen and women, particularly those who have suffered mental injury or serious injury, are not forgotten when they are in their 60s, 70s and 80s. We cannot shy away from our debt to them, no matter what happens economically or in any other way.

1.40 pm

Bob Stewart (Beckenham) (Con): I want to talk about what the military covenant really means. Obviously, it is a contract between the state and individuals who put on uniform in its service, but what does the state require of our servicemen and women? Let us be quite clear. When required, the state directs those who are in the armed forces to obey orders and advance against the enemy, even when there is a high chance of their being killed. They are not allowed to debate the matter, and they are under compulsion. If they refuse, they may be court-martialled—in the past, they may even have been shot or ended up on a gibbet.

May I remind hon. Members of my hero, Wing Commander Guy Gibson? On the night of 16 May 1943, 19 specially modified Lancasters from 617 Squadron, led by Guy Gibson, attacked the three dams in the Ruhr on Operation Chastise. They did so from 60 feet, at 220 mph, in darkness and against considerable Nazi opposition. Of those 19 Lancasters, eight were lost, and 56 RAF personnel were killed. Along with Gibson, who won the Victoria cross, 32 airmen received decorations.

[Bob Stewart]

Not one of those 56 men wanted to die, and I suspect that very few—if any—wanted to get into the aircraft that night in May 1943. Any man or woman who has been in combat would be the very last person to say that they were not frightened sick when it happened, but the state required Guy Gibson and his gallant men to overcome their natural instincts, move their feet, which must have felt like lead, and get into those aircraft and fly. They knew that their chances of survival were not great—42% of them lost their lives—but they did what was required by the state.

My old battalion, 1st Battalion the Cheshire Regiment, which is now called 1st Battalion the Mercian Regiment, returned from Afghanistan last autumn. Its casualty rate was pretty horrific: 12 dead and nearly 100 wounded, and seven triple amputees now have two legs between them. In the front sections of an infantry battalion in Afghanistan, the chances of being killed or wounded are 25% to 30%—I am talking about the people who do the business of our military in Afghanistan at the front.

The right hon. Member for Lagan Valley (Mr Donaldson) might not be allowed technically to be my friend in this Chamber, but he is certainly my friend when we are outside. He reminded the House of the Ballykelly bomb on 6 December 1982, when I was a company commander, but may I remind the House that 35 soldiers under my command were wounded, as well as civilians? They too remain our responsibility—I feel that acutely.

Dr Fox: Like all right hon. and hon. Members, I am extremely impressed and moved by what my hon. Friend is saying. However, it is not the state alone—meaning the governors of the state—that required sacrifices either in the second world war or in Afghanistan; it is the people of the United Kingdom as a whole. That is why the military covenant exists not only between the state and the armed forces, but between the whole nation and the armed forces.

Bob Stewart: I certainly accept my right hon. Friend's endorsement. Our nation requires our armed forces to do things that they would not normally do as civilians.

Sometimes, our front-line soldiers in Afghanistan chuck up as they load their weapons. I understand that, having been semi-paralysed with fear myself on occasions, and most certainly on front lines in Bosnia. I suspect that that feeling of paralysis and hopelessness was also felt by the dambuster squadron as they climbed into their Lancasters. However, that is the nation's requirement of our servicemen and servicewomen. To me, it is pretty stark—it is the ultimate uncompromising requirement—but what should our service personnel get back? The state has always had a clear duty to look after service personnel or personnel who are killed or wounded in its service. That duty may not have been fulfilled in the past, and sometimes, even if it was, it was not done very well, but the requirement has always existed.

Early formal recognition of that duty was the establishment by Charles II of the Royal hospital in Chelsea in 1681. Today, we think of Chelsea pensioners as magnificent old soldiers in red coats—the boys of the old brigade—but that hospital was established specifically to look after wounded soldiers regardless of their age. By March 1692, the 476 so-called in-pensioners were mainly the wounded, not necessarily the old. The state—or the nation, if the Secretary of State will forgive me—has recognised its side of the bargain for a long time, which obviously continues to this day.

The military covenant is now widely recognised as a term that refers to the mutual obligation between the people—I am being careful now—and its armed forces. It was possibly first officially coined in an MOD pamphlet entitled, "Soldiering: the Military Covenant", which I first saw in April 2000.

The covenant covers a lot of ground, some of which we have debated today, but in essence it fundamentally means that service personnel should be treated fairly and properly. I want to concentrate on what happens if a serviceman or servicewoman is killed or hurt, rather than on the softer aspects of the covenant. I know I speak for the House when I say that we want nothing but the best for those personnel, but let me emphasise what I consider to be our nation's duty to those who are killed or wounded in its service.

First, on those who make the ultimate sacrifice, the mortal remains of our service personnel who are killed must be treated with the greatest dignity and respect, which I think they are. Our system is now fully supportive of grieving relatives, which includes helping, if required, with funerals as sensitively as possible.

We are also getting better at looking after families when the funeral is over. Service widows and families must have proper financial provision and guidance for as long as they need it thereafter. That also extends to the children. I am very pleased that the Secretary of State has emphasised the setting up of an educational scheme and the attempt to look carefully at how families are looked after, but we have to keep on top of this, because as time goes by we tend to forget.

Secondly, I want to talk about the wounded. The ratio of killed to wounded on service in Afghanistan—this is based on my old battalion—was about one dead to nearly 10 wounded. I am told that the Americans' figure is higher. That is an incredible improvement since the days when I first put on the uniform in 1967. When I was at the Royal Military Academy, I was taught that when planning a military operation, we should expect about one person to be killed for every three wounded—survival rates were not great. That was the case right the way through the early years in Northern Ireland, but now we have a much better survival rate. The ratio of dead to wounded now is—let us not be exact—one in 10 or 11. The precise figure does not matter; what matters is that we are recovering people from near-death experiences and getting them off the battlefield properly.

Tremendous advances have been made in keeping our wounded alive. That was a great achievement of the previous Government, some of whose members who helped to engineer it are here. We can blame the previous Government for many things, but on the medical front I take my hat off to them. The way in which we deal with our casualties is terribly important. It is also important when they take their uniforms off. That is something else we have to keep an eye on—they have to be looked after for the rest of their lives.

I am especially interested in the long-term care of the disabled. I accept that the NHS has responsibility and does its best, but that system still requires attention and help. I understand and accept now—with some emotional reluctance, I have to say—that the days of exclusive service hospitals are over. Our war disabled require the very best care until the end of their days, and I, for one, will spend all my time in the House doing my best to improve the long-term care of our wounded.

I will stop there. I am very grateful to the House authorities and the Democratic Unionist party for continuing to bring the matter of the military covenant before the House. It is a matter very dear to my heart. However, looking around the Chamber, I can see that I am certainly not alone; I know that there is tremendous support for it on both sides. Thank you, Mr Deputy Speaker, for allowing me to speak.

1.53 pm

David Simpson (Upper Bann) (DUP): I will be very brief. It is a privilege to follow the hon. Member for Beckenham (Bob Stewart), who made a very emotional speech. I pay tribute to him for his service to his country, especially for his time in Northern Ireland. He has a great reputation, and we appreciate all his help. In commenting on my right hon. Friend the Member for Lagan Valley (Mr Donaldson), he said that technically he was not allowed to be our friend. May I enlighten the hon. Gentleman? Contrary to rumour, we have a lot of friends on both sides of the House. It might not seem like it at times, but we do have quite a number of friends. In any event, it is a privilege to follow him.

I believe that the United Kingdom's armed forces are the best in the world. They have served this nation well at times of crisis and conflict, from the battlefields of Europe, Africa and the far east, including in the two world wars, the Falklands and the Balkans. From Iraq to Afghanistan, their bravery and sacrifice have been demonstrated daily. I can speak of the key role played by our armed services in defending the Province of Northern Ireland against terrorism. Some of us on this side of the House and on these Benches have lost family who served in the Crown forces in Northern Ireland during the serious times of the troubles. I am sure that right hon. and hon. Members of the House will acknowledge that, when it comes to the donning of the uniform of the Crown forces, the young men and women of Northern Ireland have never been found wanting. They have served their country as members and a part of the United Kingdom, and many of them, like many here on the mainland, have made the supreme sacrifice.

Bob Stewart: I want to pay tribute to them. Someone told me that Irishmen have won more Victoria crosses than Englishmen, Welshmen and Scotsmen put together.

David Simpson: Yes, the hon. Gentleman is correct. I think that the history books have outlined that fact very well. As members and a part of the United Kingdom, and as British citizens, many of our young people have made that sacrifice. There are young men and women from my constituency currently on duty in Afghanistan. Unfortunately, one brave Gurkha officer from my constituency, Mr Neal Turkington, lost his life in the middle of last year. We pay tribute to families who have lost loved ones. Our armed services have served this nation well. Although they have served us well, unfortunately they have not always been served well by Governments.

There are a number of issues that we need to tackle. Veterans need help when they return to civilian life. A number of the points I am going to make have already been mentioned, but they are important and I will be very brief in making them. As I have said, I believe that veterans and people who have served their country need help when they return to civilian life. On 16 February, the Secretary of State said:

> "It takes time to turn a civilian into a soldier, so we should take time to turn a soldier into a civilian. Our resettlement programme helps service leavers to navigate civilian life; everything from finding a job, to benefits, education and retraining."—[*Official Report*, 16 February 2011; Vol. 523, c. 1044.]

Those are fine intentions, but there are concerns that ought to be addressed. Hon. Members will be aware of the recent report in the *Yorkshire Post* dealing with domestic violence issues involving ex-military personnel who have left the service but have no prospect of employment. It is good that the Secretary of State announced today the 24-hour helpline. That is commendable. There is also the education scheme, and the British Legion in my constituency has invited me to Scotland to see some of the medical facilities and the care provided in that part of the United Kingdom. I am looking forward to that.

The report also says that the MOD's full resettlement programme is not open to all personnel, so perhaps when the Minister responds he could give some more information on that. The report also points out that the type of work that people are trained in is often not the type of work available. We need to look at the assistance that can be given to veterans who have problems readjusting, or who find themselves out of work or in financial hardship. The point that my hon. Friend the Member for North Antrim (Ian Paisley) made about housing is a case in point. It is a valid point that should be taken a lot further. The idea that people can put their lives on the line on our behalf only to find that there is no work to turn to when they are in trouble, is totally unacceptable.

However—we come now to the thorny issue—we also need the Prime Minister to follow through on the pledge to enshrine the military covenant in law. I know he did not make that pledge lightly, but he made it on the decks of HMS Ark Royal. He could not have chosen a more symbolic place. If ever there was a pledge that should be kept, it is that one. Regrettably, however, the perception is that there now seems to be a drawing back from the pledge given by the Prime Minister. We were promised that the covenant would be enshrined in law, but what we got was merely an annual report on it, so we need to be careful.

I have listened carefully to the debate thus far. As I have said, we owe a debt of gratitude to all members of our armed forces. We need to get this right. If there are issues to do with enshrining the covenant in law, or other issues that need to be addressed, we need an open discussion and we need to get it right, because there would be nothing worse than an argument in this House among all the parties about a pledge that had been given, or about what will or will not be in the covenant, when our men and women are dying on the streets of Afghanistan and other countries. It is soul destroying for them to listen to the Government or Opposition, or whoever, discussing this issue. We are dealing with men and women's lives and their treatment when they come home.

Mr Cash: Does the hon. Gentleman agree that there is something incongruous about giving such protections in law to, for example, the civil service and other parts of the public sector, such as the police, along with many other areas of professional life and public service of the kind that he describes, but not to the military?

David Simpson: Yes, I do agree. All should be treated equally, including those who are in other countries putting their lives on the line. I am not saying that others do not do that—police officers and others on the streets of London and elsewhere across Europe have laid down their lives—but there needs to be equality and fairness right across the board.

I will finish now, because I know that quite a few Members want to speak. The Royal British Legion has written to me about the covenant—my right hon. Friend the Member for Lagan Valley also raised this issue—and has expressed major concerns. I would encourage the Government to co-ordinate their work on the covenant, so that we can deal with our young men and women who are serving this country and putting their lives on the line. We understand that there are issues with the economy and perhaps legal issues with the covenant that need to be dealt with, but we owe those young men and women a great debt of gratitude. We need to get it right for them.

2.4 pm

Bob Russell (Colchester) (LD): It is a great honour to represent the garrison town of Colchester. Some 3,500 troops from 16 Air Assault Brigade are currently deployed in Afghanistan. Yesterday, as the urgent question on armed forces redundancies was being debated in this Chamber, a military funeral was taking place at St Peter's church in Colchester for Lance Corporal Kyle Marshall of 2nd Battalion the Parachute Regiment. He was 23 and engaged to be married on his return from Helmand province. We are very proud in Colchester of what we term our Colcestrians in khaki. There was civic representation both at the church and outside the town hall, as the centre of Colchester came to a halt. As the cortège stopped outside the town hall, there was a moment of silence and appreciation.

We are talking about today's Army, and about those who will return and be tomorrow's veterans. However, I would like briefly to share with the House a reference to Monty's driver at El Alamein, Jim Fraser, a holder of the military medal and resident of Colchester, now in his 90s. An article on him appeared in the *East Anglian Daily Times* only last Saturday, saying:

> "Jim Fraser was recognised for his courage in helping a seriously-wounded officer, and many times cheated death himself out in the deserts of Africa."

He then became Monty's driver. Indeed, Jim's proud claim is that he was the man who persuaded Monty to wear the black beret. So we have veterans stretching right from the second world war to the present day. Jim joined the Army aged 17, on 5 November 1937 in what was then the Royal Tank Corps, and served for 22 years. He still makes it to Remembrance day in Colchester—he now has to be ferried in a world war two vehicle, which he quite enjoys—appearing with all his medals quite rightly displayed.

I served on the Armed Forces Bill Committee. The best thing that I can say is that there is a misunderstanding of emphasis. Everybody is agreed on what is required from the armed forces covenant, as it has been described. My view is that the covenant is best served by not being prescriptive or writing everything down, because events evolve. The way that we have presented the covenant is the best way. We should pay tribute to the Royal British Legion for putting the issue on the agenda and keeping it there. I am pretty confident that no Government or Secretary of State would dare come to the House with the annual report on the military covenant and try to hide something or gloss over it, because Members of Parliament in all parts of the House representing military constituencies would seize on anything untoward.

However, there are issues on which we need to keep pressing, one of which, as has been mentioned, is pensions. I congratulate the right hon. Member for Lagan Valley (Mr Donaldson) on moving the motion and his party on tabling it for today's Opposition day debate. It is important that we keep mentioning our brave military personnel, who, as the Secretary of State pointed out, are all volunteers. I want to pay tribute not only to the Royal British Legion, but to the network of other military charities, big and small, which is a strength, not a weakness. When each regiment, battalion, naval unit or whatever has its own charity or welfare organisation, that gives them personal pride, while the big players such as the Royal British Legion can, in a way, provide an umbrella. Alongside them, we have the Soldiers Charity—the Army Benevolent Fund, as was—the Soldiers, Sailors, Airmen and Families Association and Help for Heroes, as well as others that are more specialist in nature, such as Veterans Aid, Combat Stress and the War Widows Association.

I should like to pause to reflect on war widows, because it was only when I was approached by a young war widow in my constituency whose husband had been killed on deployment in the summer of 2008 that I realised that war widows had no specific documentation to explain that they were war widows. To that young lady, that was important. We all imagine war widows to be old people, but they are not. There are lots of young war widows. We have only to look at the festival of remembrance at the Royal Albert Hall to realise that. If she needs to approach a local government agency, for example, she has no documentary proof of her status other than a pension document, which I am told does not describe precisely what the pension payment is for. This is a small point, but I hope that the Government will be able to address it, so that today's young war widows can have something to confirm that they are indeed war widows. I also understand that, under the new scheme, the new war widows pay tax on their pension. That is one area of pensions that should be completely excluded from any form of taxation.

I am sure that members of the Armed Forces Bill Committee will agree when I tell the House how impressed we were by the representatives of the service families associations from each of the three main services. The independence of each association and their ability to work collectively together were incredible.

I shall conclude by mentioning Army family housing and education. I would like someone to write down and send me an explanation of precisely how the pupil premium will be allocated to children of serving members of Her Majesty's armed forces. Not every such child attends the local Army, Navy or RAF school. I have three schools in my constituency in which the majority of children have a mother, father or both serving in the armed forces, and that explanation needs to be spelled out.

The sale of Army housing to Annington Homes in 1995 was an utter disgrace, but we are where we are. Because of changing circumstances, almost half an estate of Army housing in Colchester will have been sold off since that date. The most recent lot has gone to a housing association. I welcome that in so far as those houses are going to be made available to people on the local waiting list. However, a small fortune is being spent on upgrading and modernising them, while, on the other side of the road, substandard family houses are being occupied by military families whose husbands and fathers are currently serving in Helmand province. Those families will be living in lower quality housing than the modernised social housing opposite. If the Government can find money for social housing, they should be able to find money for the housing of Army personnel as well.

2.14 pm

Jim Shannon (Strangford) (DUP): It is always a privilege to follow the hon. Member for Colchester (Bob Russell). He mentioned Field Marshal Montgomery's batman, who hails from my constituency, which makes me very pleased to associate myself with Colchester.

I am proud to stand here today beside my fellow British men and women and speak in support of our troops. This is a big issue for me and my constituency. Over the years as a councillor and an Assembly Member, I have had the opportunity on many occasions to speak in support of our troops in both Chambers, and sometimes that was in relation to equipment. Over the years, there were problems with the equipment issued to those who were out in the field in Afghanistan and elsewhere. We have dealt with those issues, and tried at every stage to support our troops.

I have also practically and physically supported the various charitable organisations, including the Soldiers, Sailors, Airmen and Families Association, and, along with the good people of Ards and Strangford, raised thousands of pounds through coffee mornings to support them. That is what volunteers do on behalf of those people. That particular association helps those who serve, those who have served, and their families by providing a reliable, caring and trusted service to more than 50,000 people right across the United Kingdom, and I am proud to be associated with it in Northern Ireland.

Members on both sides of the House have recognised the service that those in uniform provide. I should like to put on record that Northern Ireland never had to have conscription. Volunteers lined up to sign on and join up. Such is the history of Northern Ireland. I come from an area where service in the armed forces is not the exception to the rule; it is very much a part of everyday life. Among my staff in my office in Ards, which is one of the three offices that I have as an MP, my secretary's nephew and my researcher's friend and her husband are serving Queen and country. Among a staff of three in my office, three people are connected with those who are serving at the moment. This shows clearly the efforts that everyone makes. I have every confidence, in standing here today supporting the motion, that I am speaking for my constituents of Strangford, who are proud of their service personnel all over the world.

Along with other hon. Members, I have joined the armed forces parliamentary scheme, which gives MPs an opportunity to support and better understand the armed forces, as well as giving the armed forces an opportunity to call on us to support them in the House. This is one such opportunity. Following a presentation last week, we have realised just how young some of the people are who serve. One presentation was given by a very young officer; those Members who were present will remember him clearly. He was so young, so brave and so wise. That is how I remember him, and I suspect that the others who were there will have seen him in the same way.

I have also been an avid supporter of the Honour the Covenant campaign, which is the British Legion's campaign calling on the Government to honour their lifelong duty of care to those making a unique commitment to their country. The military covenant does not have the force of law, but it has been enshrined through convention, custom and contemporary application, and it represents the nation's moral commitment to its armed forces. The campaign reinforces the necessity of remembering not only those who have died but those who fell in injury and whose lives will never be the same again. Changes have been made to the way in which the Ministry of Defence and the Government treat our returning soldiers, but still more must be done.

I pay tribute to the Secretary of State. I judge people by how I find them, and I believe that he has a clear commitment to the armed services. We might sometimes disagree on exactly how things should be done, but I acknowledge his real commitment nevertheless. He is not in the Chamber at the moment, but my comments will be in *Hansard* for him to read.

There must be an extension of NHS priority treatment to all veterans who are physically and emotionally damaged or injured as a result of what has happened out there. Such care must become a way of life in the NHS, and it must include better access to the veterans' mental health services that are necessary due to the unbelievable things that those men and women see and experience in the line of service.

I have also met many ex-Royal Ulster Constabulary men and women who relive every day of their lives the atrocities that they have seen, and will probably do so until the day they die. I have met soldiers who remember in vivid detail how they saw friends and, however much the innate British stiff upper lip might kick in, those people need help to process what they have seen and what they are still living with. This is not an easy job, and their service should never be forgotten or overlooked. When speaking to those brave men and woman, we see amid the grief and sorrow a determination that what they are doing is not in vain; they take pride in the sacrifice that has been made.

A young soldier in my constituency and her husband lost a dear friend just before Christmas through an improvised explosive device—we know how horrific they are. They had a few hours counselling and were back on patrol in Afghanistan the next day. They handled the situation well and did their duty, but the long-term issues associated with this problem cannot be handled by just a few hours' counselling. I put that to the Secretary of State, because more has to be done than provide a net or service; there must be a follow-through

[Jim Shannon]

as well. Measures must be in place to provide someone to talk to when the time comes, which is what we are seeking today.

I received a card from a constituent whose family had told her of my endeavours to ensure that mail was sent. I have raised this issue in the past and I know that the previous Government responded clearly to it. Some out in the field in Afghanistan or indeed Iraq found that their mail from home was not getting through. As I say, Governments responded to the problem at the time. It humbled me to see that a serving member of our armed forces had taken the time to write to me to say thank you, so that I could thank the Government for their help. It also made me realise just how much, as I always knew, soldiers relied on their team and their families back home to support them. I believe that they rely on each and every one of us simply to thank them and tell them they are doing a good job. Sometimes a small word is enough to show support and a long speech or a card are not necessary. Thanking them very much for what they are doing means a whole lot to many people in the armed forces. My constituent never mentioned in her card how awful things were or asked whether it was right or wrong for them to be there: she just thanked me for my and everyone else's support.

We always recognise the bravery of our personnel and over the years we have had the opportunity to meet some of those awarded medals for gallantry. Sometimes hearing these stories makes me stand back and think about the boy's own stories I read as a kid. All of a sudden, we can realise that all these things that we had thought of as fiction were actually happening out in the field. Sometimes the sheer bravery is incredible.

With growing numbers of injured personnel coming home from Afghanistan, there is an immediate need for a dedicated strategy on care for themselves and their families. Shortly after Christmas, one of my constituents in the Irish Guards—he was 18, the same age as my son—was shot in the wrist. Fortunately, the bullet that went through his wrist and out of his elbow did not damage any bones, blood vessels or muscles. I had a cup of coffee with him and his dad when he returned and it was important to let him know that people in my constituency were very supportive of him. He told me that the Irish Guards and other Army personnel followed up afterwards, providing support for him and his mum and dad. That shows how good the aftercare service from the regiments is, and it is also good that the parents are supported. The hon. Member for Chatham and Aylesford (Tracey Crouch) mentioned the importance of involving parents in the process.

So far, we have not had a chance to comment on homecoming parades, which I believe are very important. People across Britain should have the opportunity to be involved with them. I support the recent calls for parades to honour those coming home and I also support those who are injured and need a little help. That is also why I, along with many other Members, remember our service personnel in my prayers every day. To all our soldiers and personnel past or currently serving and to their families left at home, I take this opportunity to say thank you. Their sacrifice is seen and appreciated, which is why I wholeheartedly and unreservedly support the motion.

2.23 pm

Oliver Colvile (Plymouth, Sutton and Devonport) (Con):Thank you, Madam Deputy Speaker, for calling me to speak in this debate. I congratulate the right hon. Member for Lagan Valley (Mr Donaldson) on securing this debate, which is apt, given the announcements earlier this week about redundancies in the armed forces, as the coalition Government try to close the £38 billion shortfall in the Ministry of Defence budget.

Veterans' issues are very important in my Plymouth, Sutton and Devonport constituency, which is not only one of the homes of the Royal Navy—of which it is very proud—but a home for the Royal Marines and for 3 Commando Brigade, which will go to Afghanistan in just a few weeks. I would like to take this opportunity to pay tribute to all going there, to wish them the best of luck and to wish them Godspeed in their safe return—without any loss of life and hopefully without injuries.

I know that no Conservative Members were elected in the hope that we would cut our armed forces or make people redundant. I am sure that applies to Opposition Members as well. I was horrified by the recent announcement about the sacking of service personnel by e-mail, but I am delighted by and greatly welcome the Secretary of State's commitment that nobody in 3 Commando Brigade will be made redundant while away.

We must recognise that today's servicemen and women are tomorrow's veterans. They put their lives on the line to protect our freedoms and we need to ensure that we look after them afterwards. Many people of my age—I had a father who served and gained a distinguished service cross in the Narvik campaign in the 1940s—see veterans as people who either served in the second world war or in Korea or, for that matter, in the Falklands. It is interesting to note that next year we will commemorate the 30th anniversary of the Falklands conflict. I would be grateful if the Minister told us what we are going to do to remember that anniversary—next year as well—because many people from Plymouth were certainly affected by the conflict. I add a strong plea that the Minister has heard before—I am going to repeat it—for Plymouth to be the centre for the national commemoration for veterans weekend in 2012. We should remember that Plymouth is not Portsmouth and that we are not 20 minutes away from Bristol.

This picture of white-haired veterans is not exactly appropriate for today. Today, a lot of young people in their late 20s and early 30s are going to be our veterans. Their time saving our country and putting their lives on the line is just one part of a series of careers that they might have during the course of their time on this earth.

I welcome the initiative of my right hon. Friend the Secretary of State for Education to recruit some veterans into the education system to help with teaching. I remember being at prep school as a child of eight. One of my masters was regularly carted off to hospital because of the gas he had inhaled in the first world war. We had nothing but total support for him, and his authority in the classroom ensured that we were brought up in a very disciplined way. If I may say so, I certainly hope that our service personnel who become teachers will act in the same way to put some authority and discipline back into the classroom—especially in some of our inner-city schools. I am delighted that Plymouth university is in the process of sponsoring a marine academy in the city. I hope it will look at ways of recruiting some of the ex-service personnel to teach there, which would be most helpful. Will the Minister spell out how this plan might work?

The other big issues faced by our veterans relate to mental health. Last autumn, the Prime Minister gave a commitment that the Government would implement the "Fighting Fit" report by my hon. Friend the Member for South West Wiltshire (Dr Murrison). That has been welcomed by several charities, including Combat Stress and Plymouth Mind. Will my right hon. Friend the Minister update us on progress on ensuring that the actions recommended in the report are delivered? Will he confirm whether those actions will be fully funded by the national health service? When my right hon. Friend the Minister is next in Plymouth, perhaps he will join me in visiting the Hasler company in HMS Drake, as they do great work to deal with complex issues, including issues of mental health.

We have talked a great deal about veterans who have been full-time soldiers, sailors and airmen, but reservists are occasionally overlooked. My hon. Friend the Member for Filton and Bradley Stoke (Jack Lopresti)—he will look horrified that I am referring to him again—who was a reservist with 29 Commando before he entered the House, regularly reminds me that reservists sometimes have to go back to homes and communities where no one has any idea what they have been up to.

Jack Lopresti (Filton and Bradley Stoke) (Con): My hon. Friend is kind to mention my service, but I want to put it on record that it was very modest. May I echo his comments about 3 Commando Brigade, and especially about the men from 29 Commando who are now going back out to Helmand? I hope that they have a great tour and come back safely, and I wish I was going with them.

Oliver Colvile: I thank my hon. Friend. We should ensure that the mechanisms and infrastructure are in place to look after reservists once they come back.

Last week, on a course, I was approached by the Royal British Legion, which told me that it would be enormously helpful if the Government made reservists' details available to charities. To overcome data protection restrictions, perhaps reservists should be asked to tick a box that would allow their details to be shared with such excellent charities. I hope that my right hon. Friend the Minister will be willing to take that on board. Will he ensure that, as they say in the Navy, it is "Anchors aweigh", and that we see action on this matter?

2.31 pm

Dr William McCrea (South Antrim) (DUP): It is an honour and privilege to join right hon. and hon. Members in paying tribute to the courage and bravery of our servicemen and women.

When the Democratic Unionist party was allotted this debate, I was delighted that we had the honour of being able to choose the motion on support for UK armed forces and veterans. The motion speaks for itself, and those right hon. and hon. Members who have spoken find that this matter touches the nerve of the community. I am delighted that there has been such support for the motion across the House.

Those who join our armed forces realise that they are not joining a boy scout club—they are joining the armed services. It is an occupation, and some join because they come from military families, some join for the excitement, and others join because they have no other means of employment. Whatever their reason for joining, however, it is right to point out that they have given valiant service and great sacrifice, and the House is proud of what they have done, and are doing at present, in the field of conflict. Let me mention the gallant service of the Royal Irish who are serving in Afghanistan.

I will never forget my visit to Camp Bastion in Afghanistan, and I salute every one of our soldiers, and the international team of soldiers—whether from the United States or other countries—who are working together to try to bring stability to that area and safety to the world. I was greatly taken by the bravery not only of the soldiers, as I pay tribute to the doctors and nurses serving there, especially in the brilliant hospital, which is an example of how to stabilise critically injured soldiers. I remember that the aircraft in which I had arrived was immediately turned into a hospital to transfer soldiers to Birmingham for additional treatment.

We think today of the families who have lost their loved ones because of the conflict in Afghanistan and the earlier conflict in Iraq, but we should also bear it in mind that many young men and women are returning from theatre with not only horrific bodily injuries, but horrific mental injuries. I remember the tragedy of Northern Ireland. I remember the night when a number of my then constituents—I represented a different constituency then—were murdered in Teebane. I remember walking among the dead, and having to lift up some of the living to get them to hospital as quickly as possible. I will never forget that scene. I remember, in a personal capacity, standing in a mortuary looking down at the face of a young woman and at a young lad. I did not see the young lad's face, because there was not enough to view. Just a few bones were left. I will never forget that scene.

I am sure that many of these young men and women are returning from the field of conflict with horrific memories, and are trying to deal with the trauma of that. Let us never forget that the fact that they have come back and their bodies are intact does not mean that they have not been touched by the field of conflict. We must ensure that they are given the best possible treatment, and that their trauma and mental scars are properly treated.

I was very encouraged by what the Secretary of State said today. I genuinely believe that he has given a serious commitment, and continues to do so. I pay tribute to the Secretaries of State in the previous Government as well, because I believe that they did much for our armed forces. However, because this is a moving situation, we must continue to give them they best that we can. Let us also remember that when they return and, in many cases, have to move from the field of conflict to civilian life, great care must be taken with them. Many face unemployment, and in these times there is increasing unemployment. Let us therefore be sensitive. I am delighted that the Secretary of State is taking up the point made by my hon. Friend the Member for North Antrim (Ian Paisley), and will think carefully about the provision of housing for returning soldiers and their families.

[Dr William McCrea]

It has been a privilege to take part in the debate. I trust that we will pass the motion unanimously, and ensure that our soldiers—servicemen and women—know that we are standing wholeheartedly behind them and that we thank them for what they are doing for us.

2.38 pm

Jack Lopresti (Filton and Bradley Stoke) (Con): I shall be as brief as possible, because I know that we are short of time.

I believe that when the most important and prominent duty of a Government is the defence of the realm, it is equally important that all Governments value the contributions and sacrifices that our servicemen and women make in carrying out this most vital task. When our armed forces personnel on operations in Afghanistan and elsewhere face paying the ultimate price in the protection of our country, its people and our freedoms and way of life, we should ask them to do so only in the knowledge that they are properly equipped for the task and will be trained to the highest level, and that when they retire—or should they be wounded or, indeed, killed—they or their families will be provided for in recognition of, and admiration for, the sacrifices that they make. That is the minimum that we must do to support our armed forces and veterans, and to me those sentiments are the basis of the military covenant.

The idea, or basic principle, behind support for service personnel and veterans is not new, but a long-standing and time-honoured tradition in this country and elsewhere. In ancient Rome, for example, veterans were given land and a farm to provide a living in recognition of and thanks for their service to their country. Here, in 1593, a statute of Elizabeth I provided for a weekly tax on parishes so that disabled Army veterans

> "should at their return be relieved and rewarded, to the end that they may reap the fruit of their good deservings, and others may be encouraged to perform the like endeavours."

Our commitment to the welfare and aftercare of our armed service personnel must be unwavering, and I believe all parties share that goal. We can best honour that commitment through the steps the Government are taking to restore the military covenant. The status quo is probably best described in the relevant House of Commons Library research paper, which states:

> "The Military Covenant is an unwritten social and moral commitment between the State and Service personnel in the Armed Forces that has developed through long-standing convention and customs. Although it currently has no legal basis it implies that in return for the sacrifices that Service personnel make, the State has an obligation to recognise that contribution and retains a long term duty of care toward Service personnel and their families."

The previous Administration reneged on this covenant. It gives me no pleasure to say that, as I acknowledge that they did some good work—especially the hon. Member for North Durham (Mr Jones) when he was a Minister. They did not adequately equip our troops for the most hostile of conflicts, they neglected the welfare of our service families, injured personnel and veterans, and they left a £38 billion black hole in the Ministry of Defence budget at a time of war.

Some Opposition Members look back at the previous Government's time in office through rose-tinted spectacles and view it as a period of utopian plenty. Whenever the shocking neglect of the huge Budget deficit is mentioned they are in complete denial. The previous Administration have an appalling record in respect of honouring the covenant and failing to supply enough helicopters, vehicles and kit that are fit for purpose in the most hostile of environments. I saw that for myself in Afghanistan, and I firmly believe the coalition Government are trying to correct the balance through the current Armed Forces Bill. Clause 2 of the Bill does more to honour the armed forces covenant and to support our troops and veterans than the last Administration achieved in 13 years. The text of the tri-service military covenant will be published in the spring, and legislation could be used to facilitate it if that is necessary.

Let us examine the Bill's measures and what it will achieve in restoring the military covenant. If we accept that the military covenant is a moral commitment and a statement of principles rather than a list of rules and regulations and a job-creation scheme for lawyers, then the Bill goes a long way towards enshrining the notion of the covenant in law. The Bill provides a statutory recognition of the covenant for the first time. It ensures that Parliament and the Government of the day are forced to continue to address this most important issue. It demands in law that every year the Secretary of State of the day must present to Parliament an armed forces covenant report on the effect of membership of the armed forces on service personnel, their dependants and veterans in the UK. Furthermore, the effects in respect of health care, education and housing are specifically listed, as is the examination of others fields that the Secretary of State may determine.

It is right for the military covenant to be broadly defined. The Opposition fail to understand that the clause provides this Government and future Administrations with the flexibility to be able not to lose focus on the real issues. It allows us to achieve real welfare improvements for our service personnel and veterans. I have heard from military charities and serving men and women that there is no desire for a bureaucratic and over-prescriptive definition of the covenant. Warfare, conflicts and conditions can change rapidly, as events in the past couple of weeks demonstrate. This Bill will allow the military covenant to evolve in this and future Parliaments as our services change and adapt to meet the demands they are asked to face.

This House is in full agreement that we must provide for our servicemen and women and our veterans. I believe the current Armed Forces Bill puts us back on the right path towards honouring the sacrifices that our armed forces make in the protection of our freedoms and way of life, and upholding the moral covenant that exists between the state and those who do so much to defend it.

2.43 pm

Mr Nigel Dodds (Belfast North) (DUP): May I begin, as others have, by paying tribute to our armed forces and servicemen and women, particularly those from our part of the world, the 1st Battalion the Royal Irish Regiment and the 1st Battalion the Irish Guards, who are currently serving in Afghanistan, but also to everyone who has given valiant service both in Afghanistan and in previous theatres of operation? Those of us who represent Northern Ireland constituencies perhaps have more reason than most to value the armed forces, and to put on record our admiration for them, because, as my right hon. Friend the Member for Lagan Valley (Mr Donaldson) pointed out, we owe them so much in for the current peace process. Although some people may go around claiming the political credit for that, I think the greatest credit goes to our security forces in the Army, the Ulster Defence Regiment, the police and the reserves, who have held the line and protected innocent men and women. Although there is so much temptation now to revise history, the truth should be clearly told: they were the ones who defended democracy and brought about the conditions for the current political progress and peace in Northern Ireland.

I wish to thank everyone who has participated in this very good debate, especially those who have been here throughout the proceedings. In moving the motion, my right hon. Friend the Member for Lagan Valley said that this was not a party political issue and mentioned the tone of the debate, and that has been reflected in today's contributions. I welcome the fact that the motion is supported by the Government, as well as by other hon. Members and other parties in the House. I, too, pay tribute to the sincerity and integrity of the Secretary of State and his Ministers, and of the previous occupants of their offices. We all recognise that they are doing their very best in difficult circumstances for our armed forces, and that needs to be recognised.

As has been said, our purpose in tabling this motion was simply to continue to highlight and put on the record our support first and foremost for our armed forces. We should not underestimate how important it is to our servicemen and women, particularly those in theatre battling the enemy, to know that Parliament and Members of Parliament are spending time not only recognising their service, some of the difficulties they face and the challenges we all face, but putting on the record our deepest gratitude for and appreciation of what they are doing. We sometimes say that things have already been debated—this issue was debated on 16 February—but it is well worth spending as much time as possible on this issue. What is more important than issues of life and death and war to our servicemen and women?

In my first contribution at Prime Minister's questions in this Parliament, I raised the issue of the military covenant. I asked the Prime Minister right at the outset of a new Parliament and a new Administration

> "to give a categorical assurance to our troops that they will always get the equipment and resources that they need on operational duty, to our servicemen and women returning home that they will always get the help and advice that they need to return to civilian life, and to our maimed and wounded that, despite all the budgetary pressures, they will always get the care and compassion that they need and deserve, for however long it takes".—[*Official Report*, 2 June 2010; Vol. 510, c. 433.]

My party, like many right hon. and hon. Members from all parties, takes that very seriously indeed.

We have heard many excellent contributions from Members on both sides of the House. My right hon. Friend the Member for Lagan Valley moved the motion extremely eloquently. He mentioned that 20% of the reserve forces currently serving come from Northern Ireland. That illustrates the contribution that Northern Ireland men and women are making to the war effort and it should be borne in mind. People have rightly mentioned the voluntary nature of service and it needs to be pointed out, again, that there has never had to be conscription in Northern Ireland, even during the second world war. That is a measure of the support there for the armed forces. My hon. Friend the Member for Strangford (Jim Shannon) made an excellent speech in which he talked about the close association of people in Ulster with the armed forces. That is illustrated by the service of people in his constituency office and it comes across day in, day out, not only in an appreciation of the work that the Army and the armed services did on the streets in Northern Ireland to maintain the peace and to defend democracy and life and limb, but in the number of people in Northern Ireland with relatives who served or are serving in the armed forces.

My right hon. Friend the Member for Lagan Valley also said that we need to meet the needs of veterans—not only those who served many years ago, but those who have served in current conflicts. We have heard about the big society, and my right hon. Friend mentioned the issue in relation to the Royal Irish Regiment band. It may seem relatively trivial, but it is an important aspect in recruiting and raising money for charitable purposes for servicemen and women.

The Secretary of State talked about the measures that the Government have introduced since taking office: the doubling of the operational allowance; the rest and recuperation rules; the university and further education scholarships for children of those killed; the pupil premium; and the action taken on mental health. I welcome what he said about the 24-hour helpline and the extra money, but we need to ensure that there is continued monitoring of mental health and that servicemen and women are kept in touch with over the years so that they do not drop out of the system and are not forgotten or left behind. I also welcome his commitment to look into the point made by my hon. Friend the Member for North Antrim (Ian Paisley) about housing and the weighting that servicemen and women should be given in that regard.

The hon. Member for North Durham (Mr Jones), who spoke for the Opposition, highlighted the previous Government's actions. I commend the previous Government, as did some hon. Members on the Government side, for what they did in, for example, producing their Command Paper. The hon. Gentleman acknowledged that there were deficiencies, especially with housing, but progress was made during the previous Parliament in recognising that those who have served deserve special treatment, particularly in the area of mental health.

The hon. Member for Beckenham (Bob Stewart) spoke very passionately. He has great experience in this field having served, as we were reminded, in Northern Ireland and as a company commander. He knows at first hand what it is to comfort and care for his troops and he reminds us of the dedicated service of so many in the armed forces in Northern Ireland over the years. He rightly asked what the nation requires of our troops, and talked about the courage that they display going into battle and the physical sickness that they sometimes feel as they anticipate what might come. His point about what the nation requires of our troops is pertinent, as is the return question: "What do they expect from our nation?"

My hon. Friend the Member for Upper Bann (David Simpson) has a very good track record of supporting our servicemen and women. He recently took part in

[Mr Nigel Dodds]

raising significant amounts of money for Help for Heroes, as he has for a number of years, through personally doing sponsored walks and organising other charitable activities. I pay tribute to him for that. He mentioned that the UK armed forces are the best in the world and we all subscribe to that. He, too, dwelt on the military covenant in his comments.

The hon. Member for Colchester (Bob Russell), who speaks so often, so eloquently and strongly in defence of our armed forces, talked about the covenant and said we should not be too prescriptive. He also paid tribute to the Royal British Legion for keeping this matter on the agenda. He made a very good point about war widows and the need for identification, as well as making good points about housing and education.

Christopher Pincher (Tamworth) (Con): The right hon. Gentleman talks about prescriptiveness, which was a theme of the Opposition's. We agree with the deputy Chief of the Defence Staff, the Adjutant-General, the deputy Chief of the Air Staff, the Second Sea Lord, the chairman of the RAF Families Federation and the Forces Pension Society that prescription and justiciable enforcement of a military covenant are not appropriate.

Mr Dodds: I thank the hon. Gentleman for his intervention. On the military covenant, we all agree that the help that is delivered is what really matters. That is the crucial point, as has been emphasised by Members across the House. We note what the Prime Minister has said, and I know that the Royal British Legion's letter on this point has been mentioned, but I think clarification is needed of what is meant by "properly referencing" the covenant in law. I take the Secretary of State's point about definable rights and justiciability, but I think that the way forward is to get the Royal British Legion and others who are interested together with the Government to hammer out a way forward that all parties can agree. That is the key point and I urge the Government to take that step.

I acknowledge the contributions of my hon. Friend the Member for Strangford, the hon. Member for Plymouth, Sutton and Devonport (Oliver Colvile), my hon. Friend the Member for South Antrim (Dr McCrea) and the hon. Member for Filton and Bradley Stoke (Jack Lopresti).

In closing, I pay tribute to the tens of thousands of volunteers who take part in raising so much money for charitable organisations and charities across the UK, including the Royal British Legion, Help for Heroes, the Soldiers, Sailors, Airmen and Families Association, the Not Forgotten Association, the Army Benevolent Fund and regimental benevolent funds, which do tremendous work. We should never forget their contribution. Again, I thank everyone who has spoken in the debate, which has been excellent, and I end by paying tribute once more to the excellent service of so many men and women in our services.

2.54 pm

The Parliamentary Under-Secretary of State for Defence (Mr Andrew Robathan): I thank the Democratic Unionist party for raising this important subject. We have had a useful debate, which I have enjoyed. I can honestly say that I do not always enjoy every debate that we have in this place. I thank the Democratic Unionist Members for their contributions. I have great affection for Northern Ireland. I spent the best part of a year of my life walking its streets. We will not go too far into the politics, but I spent most of my life then in a part of West Belfast that does not currently have a Member of Parliament and used to be represented by a man for whom I fear that I do not have a great deal of time, particularly following his service on the provisional army council—something on which the DUP and I would rather agree.

The right hon. Member for Lagan Valley (Mr Donaldson) is absolutely right: this issue should not be a party political football. I think that every hon. Member agrees that we wish our service personnel to receive good treatment while they are serving and, latterly, when they leave. Of course that includes their families and reservists.

I should like to touch on a couple of the points made by the right hon. Gentleman. He spoke about mental health, which is very important to us, as shown by the fact that my hon. Friend the Member for South West Wiltshire (Dr Murrison) has produced his report, "Fighting Fit". The right hon. Gentleman is absolutely right that service charities play a huge part in how we hope to deliver the covenant and, indeed, are part of the big society. He mentioned Treasury rules relating to service charities, and I am looking at that and, indeed, have a paper with me at the moment that I wish to progress. Finally, he mentioned suicides and the Falklands. I would love to have some evidence about such suicides, but I am afraid that I know of none.

The hon. Member for North Durham (Mr Jones), who has apologised to me for not being in his place now, was much more emollient than the shadow Secretary of State has been recently, and I agree with a great deal that he said. It is a pity that he then got into party politics, with a rather incoherent position on the justiciable rights that he might want to put into law.

I thank my hon. and gallant Friend the Member for Beckenham (Bob Stewart), who has a long record on such things, for speaking movingly about care for the disabled. The hon. Member for Upper Bann (David Simpson) spoke with genuine feeling. I, too, should like to congratulate him. I did not realise that he is a great fundraiser for service charities, so I should particularly like to thank him for that.

My hon. Friend the Member for Colchester (Bob Russell) paid tribute to Monty's driver—his constituent—and spoke very well about service charities. He was followed by the hon. Member for Strangford (Jim Shannon), who quite rightly reminded us that Montgomery came from the Province and about the many contributions by Northern Ireland personnel in our services, particularly in the first world war and subsequently. I agree absolutely with what he said about the moral obligations of the covenant.

I agree with my hon. Friend the Member for Plymouth, Sutton and Devonport (Oliver Colvile) that we should commemorate what happened in the Falkland Islands. I lost many friends in the Falkland Islands some 29 years ago. Our major commemorations in this country tend to take place on the 25th anniversary, as happened a few years ago, and on the 50th, but that does not stop people commemorating every anniversary. He will be pleased to hear that I got the message about his wanting Plymouth to be the centre for armed forces day in the near future. He might wish to know that the Combat Stress helpline for mental health went live on Monday. That was one of the recommendations in my hon. Friend's "Fighting Fit" report.

The hon. Member for South Antrim (Dr McCrea) spoke with passion about service, especially in the Royal Irish, and about the excellent health care that personnel receive in Afghanistan. The trauma care that people have learned about in Afghanistan is going forward into the national health service. That is not dissimilar to what happened with gunshot wounds and the Royal Victoria hospital, which became a repository of unbelievable knowledge in the past.

My hon. Friend the Member for Filton and Bradley Stoke (Jack Lopresti) quoted the Library document from 2007 about the unspoken moral commitment that is the covenant—

Mr Donaldson *claimed to move the closure (Standing Order No. 36).*

Question put forthwith, That the Question be now put.

Question agreed to.

Main Question accordingly put and agreed to.

Resolved,

That this House recognises the valiant service and sacrifice given by the members of UK armed forces in the defence and security of the UK; notes concerns about the current level of support provided to veterans and the families of service personnel; and calls on the Government adequately to fund aftercare services for veterans, including those who have physical disabilities or mental illness, to provide the best support to the families of those who have died as a result of their service, and to honour in full its commitments in relation to the Military Covenant.

Business without Debate

CONSOLIDATED FUND (APPROPRIATION) (NO.2) BILL

Motion made, and Question put forthwith (Standing Order No. 56), That the Bill be now read a Second time.

Question agreed to.

Bill accordingly read a Second time.

Question put forthwith, That the Bill be now read the Third time.

Question agreed to.

Bill accordingly read the Third time and passed.

BSkyB

3 pm

The Secretary of State for Culture, Olympics, Media and Sport (Mr Jeremy Hunt): With permission, Mr Speaker, I should like to make a statement about News Corporation's proposed acquisition of BSkyB. I start by thanking both the Office of Fair Trading and Ofcom for their detailed, thorough and independent analysis, which has been produced to a challenging time scale. My decision today relates to the plurality of news provision, not competition or market power issues, which were ruled on by the European Commission on 21 December 2010.

Earlier this morning, I announced that the independent media regulator, Ofcom, had advised me that undertakings in lieu offered by News Corporation would address the plurality concerns that Ofcom had identified in its report to me of 31 December 2010. I also announced that the OFT considered the undertakings to be practically and financially viable for up to 10 years. In the light of this independent advice, I propose to accept such undertakings instead of referring the matter to the Competition Commission.

As the Enterprise Act 2002 requires, I have today published these undertakings for public consultation. For the sake of transparency, I have also published all the advice that I have received from Ofcom and the OFT, together with correspondence between myself and News Corporation and a time line for the process I have followed, including details of all meetings I have held. I hope that hon. Members will have time to study these undertakings during the formal consultation that will start today. However, it may help if I outline the main points.

The undertakings would ensure that Sky News is spun off as an independent public limited company. The shares in that company would be distributed among the existing shareholders of BSkyB in line with their existing shareholdings. News Corp would therefore retain a 39.1% stake in the new company, although it will not be allowed to increase this shareholding for 10 years without the Secretary of State's permission. In other words, even if the proposed News Corp/Sky merger goes ahead, News Corp's shareholding in Sky News will remain the same as at present.

The new company would have a 10-year carriage agreement and a seven-year renewable brand licensing agreement with the newly merged News Corp/Sky so as to ensure its financial viability. Unlike the board to which Sky News currently reports, the chairman would be required to be an independent director. Unlike at present, the board would have a corporate governance and editorial committee to ensure compliance with the principles of editorial independence and integrity in news reporting. For the first time, the requirement for the company to adhere to Ofcom's broadcasting code would be enshrined in the new company's articles of association.

In short, the editorial independence of Sky News will be better protected not only than it would have been had Sky News formed part of the buy-out of Sky shares, but even than it is right now. The principles of the arrangements are clear and set out in the proposed undertakings. There are still some detailed provisions of carriage, brand licensing and certain operational agreements

[Mr Jeremy Hunt]

that need to be finalised, and the terms ensure that such agreements need to be approved by me. In deciding whether or not to approve them, I will again take the advice of Ofcom and the OFT as appropriate. The merger cannot, of course, go ahead until I have been satisfied on all these matters.

I also want to draw the House's attention to the long-term sustainability of these undertakings. The OFT has said that the undertakings are likely to be practically and financially viable in the short and medium term, but expressed concerns about whether they would be viable over the longer term. It stated, however, that the appropriate time frame in this market was for me to decide, with Ofcom's advice.

Ofcom has considered the impact of a 10-year carriage agreement in the context of the media industry, and it has expressed the view that, in a rapidly changing media and technological environment, a carriage agreement of 10 years is a long-term measure. I agree with its independent view about the difficulties of predicting with any certainty how the plurality issues will develop over a longer time frame. However, I will of course reach a final conclusion on that and other aspects of the undertakings only after the consultation is complete.

Consequently, on the basis of the independent advice I have received, I have concluded that a referral to the Competition Commission would not be merited at this stage, and instead I propose to consult on the undertakings in lieu, the final version of which has also been placed in the Libraries of both Houses and on my Department's website.

In line with the legislation, I am opening a consultation period, during which time all interested parties will be able to express their views on the undertakings. Once I have considered representations, I will reach a decision on whether I still believe that the undertakings should be accepted in lieu of a referral. If, after consultation, I am still of the view that the undertakings address the concerns about media plurality, I will accept them and not refer the merger to the Competition Commission.

I should add that, quite separately to my consideration of the merger, I have carefully noted Ofcom's point that there is a potential weakness in the current public interest test with respect to media plurality—namely, that it can be applied only when there is a commercial transaction to consider. That wider question is one that I intend to consider in the context of the forthcoming review of communications regulation which I announced earlier this year.

Throughout the process, I have been very aware of the potential controversy surrounding the merger. Nothing is more precious to me than the free and independent press for which this country is famous the world over. In order to reassure the public about the way in which the decision has been taken, I have sought and published independent advice at every step of the way, even when not required to by law. After careful consideration, I have followed that independent advice. The result is that, if the deal goes ahead, Sky News will be able to continue its high-quality output with greater protections for its operational and editorial independence than those that exist today. For those people who have concerns about the plurality of news provision, I hope that that will be a welcome step forward. As such, I commend this statement to the House.

Mr Ivan Lewis (Bury South) (Lab): Four weeks ago, the Secretary of State said he was minded to refer News Corp's acquisition of BSkyB to the Competition Commission. Today, it is clear that he has changed his mind. Hon. Members and many people outside the House will want reassurance that the right hon. Gentleman has not put the perceived interests of his party and career ahead of the public interest. Imagine what they would have said if we had made that decision, in that way, in the same week as we had put a former Labour party chairman in charge of the BBC.

Until we get some straight answers to straight questions, doubts will persist. The process has exposed an arrogant Government, cavalier about their responsibility to be impartial and contemptuous of the importance of transparency in circumstances where there is already a high level of public cynicism.

On 21 December, the Business Secretary was stripped of his responsibility for the media and digital economy, because of poor judgment and a lack of impartiality following his boast that he would declare war on Mr Murdoch. The Secretary of State for Culture, Olympics, Media and Sport was given responsibility for this quasi-judicial process, despite being on the record as saying that he did not see a problem with News Corp purchasing BSkyB.

Two days later, on 23 December, the Prime Minister attended a private dinner with James Murdoch in the middle of a quasi-judicial process. That, from a Prime Minister who wrote in the foreword to his own ministerial code:

> "In everything we do—the policies we develop and how we implement them, the speeches we give, the meetings we hold—we must remember that we are not masters but servants. Though the British people have been disappointed in their politicians, they still expect the highest standards of conduct….We must be…Transparent about what we do and how we do it. Determined to act in the national interest".

Can the Secretary of State tell us whether he has had any discussions about the acquisition with the Prime Minister since 23 December—to be clear, not whether he has consulted him, but whether he has had any discussions? If yes, were officials present at these discussions? Does he think that it was right for the Prime Minister to attend that dinner in the middle of this process?

With regard to News Corp's proposals to float off Sky News as a listed company, I have a number of initial questions. Who will appoint the new Sky News board chair and the board? Will the chair be independent? What proportion of board members will be News Corp representatives? What steps would News Corp have to take if it wanted to change the Sky News governance arrangements or News Corp's shareholding? Will Sky News be solely dependent on News Corp for finance over the next decade? Who will hire and fire Sky News editorial staff? Will the Sky News board be expected to prevent the bundling of information from News Corp's newspapers and Sky News? Who will be responsible for monitoring the independence of Sky News over the next decade? What assessment has the Secretary of State undertaken of News Corp's approach to undertakings given in the past following the purchase of *The Times* and *The Sunday Times* in 1981 and *The Wall Street Journal* in 2007? Can the Secretary of State confirm that broadcasting news impartiality rules will remain in place? Why has he not consulted UK media organisations opposed to this acquisition during the past month?

I welcome the Secretary of State's commitment to examining the public interest test in the context of a new communications Act, but the rapidly changing digital age means that our media organisations need a modern regulatory framework sooner rather than later. Will he work with me to bring the legislation forward from 2015, as the Government propose, to 2012 or 2013 at the latest?

Media ownership and control is integral to our democracy. The integrity of our democracy depends on news being provided from a variety of sources with no one voice being dominant. As we have said all along, the decisions about this acquisition must be determined in the public interest via the due process laid down by Parliament, not through political deals. In the days ahead, I will engage with interested parties before deciding whether we believe that referral to the Competition Commission remains the most appropriate course of action. My party will apply the public interest test without fear or prejudice.

Mr Hunt: I am afraid that what we heard from the shadow Culture Secretary displays absolutely blind ignorance of a process that his own Government, when they were in power, set up under the Enterprise Act 2002. He talked about putting the interests of party first. Apart from asking him why the former News International-employed Labour party director of communications sent an e-mail round to all Labour Front Benchers asking them to back off from criticisms of this deal, let me just say this. I have been absolutely scrupulous in making sure that independent views were commissioned, expressed and published at every stage of this process, precisely because I wanted to reassure the public that this decision was not being taken on the basis of party interest. Those documents have been published today so that people can see for themselves that not only did I ask for that independent advice, and not only did I publish that independent advice, but, after careful consideration, I accepted that independent advice.

Let me go through some of the other things that the hon. Gentleman said. He partially quoted something that I said about this deal before I was even part of the process, but he did not read out the end of that quote, which he will have known full well, where I said that I would not second-guess the regulators. I have not second-guessed the regulators. I have listened to the independent regulators and I have accepted their advice.

The hon. Gentleman asked whether the chair of the new company that is proposed to be set up will be independent. It is written in undertaking 3.13 that the chairman will be completely independent. There will be a board with majority independent directors. He asked what proportion of the new company's revenue will be dependent on Sky. As things stand at the moment, it would be about 65%, but I think that any independent board of directors would be likely to want to reduce that dependence over a period of time, and they will have a 10-year carriage agreement with guaranteed income over that period in which to address that issue.

The hon. Gentleman asked who will be responsible for hiring and firing those who are responsible for the operation of Sky News. Again, it is clearly written in the undertakings that have been published today, in undertaking 3.16, that that decision will be the responsibility of the independent board. He talked about *The Times* and *The Sunday Times*, but I gently point out to him that this case is different because we will have an independent company that will be floated independently on the stock market with an independent board and an independent chairman—that is a huge difference.

The hon. Gentleman asked me to confirm whether the impartiality rules will remain in place. It is the Government's policy that they should. On top of that, for the first time in this country, the new company will have in its articles of association that it must respect the broadcasting code, which includes the impartiality requirements. That is set out in undertaking 3.12.

The hon. Gentleman asked when I would consult other media organisations. What I am launching today is a 17-day consultation in which those media organisations will be consulted. This is a consultation and I will listen to what they say. The extraordinary thing in what he said today was the utter cowardice of a party that listens to a statement, criticises a process that it set up, and then refuses to get off the fence and say whether it agrees with what I have done. Last time, he criticised me for not following Ofcom's advice. In fact, I did follow Ofcom's advice then, and I am following it now. Does he agree with what Ofcom has said? If he is not prepared to say whether he agrees, no one will take any of his criticisms the remotest bit seriously.

Mr Don Foster (Bath) (LD): Many members of the public are concerned about the potential for growing influence and control over news and current affairs in this country. Will the Secretary of State confirm that if this deal goes ahead, Rupert Murdoch, James Murdoch and News Corporation will have less influence and control over news and current affairs in this country?

Mr Hunt: My right hon. Friend makes a very important point. The detail that has been published today shows that News Corporation and James Murdoch have had to surrender a significant degree of control over Sky News to purchase the rest of the Sky shares. That involves the things that we discussed earlier, such as the independent chairman. At the moment, James Murdoch is non-executive chairman of Sky. That will change, with Sky News having an independent chairman. The detail includes the broadcasting code being written into the articles of association and that there must be a majority of independent directors. There is a whole range of safeguards that were negotiated not by me, but by Ofcom, which is the expert regulator in the field, precisely because it wants to ensure that there is not an over-concentration of media ownership in this country. That is fundamental in a free society.

Mr Gerry Sutcliffe (Bradford South) (Lab): The Secretary of State said that he used the procedures of the Enterprise Act 2002, but he has also told us that he looked at the decision based on plurality. He will know that had he used the Enterprise Act—I speak as a former competition Minister—there would have been concern, which I am sure he will hear about in his consultation period, that Sky's retention of 39% of the ownership of Sky News negates all the guarantees that he has given. Will he look again at the detail of the Enterprise Act? If he considers it on that basis, as I am sure the Secretary of State for Business, Innovation and Skills would have done, he will see that this is clearly a competition issue.

Mr Hunt: The Enterprise Act 2002 has a public interest test that can be invoked not on issues of competition, but on issues of media plurality, national security and, as it happens, the security of the banking system. What we are talking about is media plurality. It does not allow Ministers to intervene on competition grounds. Competition grounds were looked at extensively by the European Commission, which reported on 21 December that in its view the deal would not lead to a decrease in competition.

Several hon. Members *rose—*

Mr Speaker: Order. I gently remind the House that right hon. and hon. Members who came into the Chamber after the start of the statement should not expect to be called. That is a long-established tradition of the House.

Jacob Rees-Mogg (North East Somerset) (Con): May I indicate a family interest, although not a personal one?

I congratulate the Secretary of State on his excellent statement. It is tremendously important that business is allowed to get decisions quickly, so that it can carry on. He has ensured that the pace of government has run at the pace of business, which is hugely to be welcomed.

Mr Hunt: I thank my hon. Friend for his comments, and I agree that it is important for Government to act as fast as possible. However, in this particular case I made it very clear to Ofcom and the OFT that they should take as long as they needed to come to the right recommendation for me to consider. I gave them as long as they needed, but they have worked to a very tight deadline and been able to ensure a much quicker turnaround than is normally the case.

Mr Tom Watson (West Bromwich East) (Lab): The Government could have asked Ofcom to report on News International's commitment to broadcasting standards. I now believe that evidence exists showing that journalists currently employed on *The Times* and *The Sunday Times* were involved in phone hacking, and that damaging revelations were printed in *The Sun* from information possibly collected by illegal hacking. We are told that the BBC has been bullied into delaying the broadcast of an edition of "Panorama" showing more sinister forms of illegal surveillance. If the Metropolitan police show the Secretary of State that evidence, will he change his mind?

Mr Hunt: First, the issue of phone hacking is extremely serious and very important, and someone has been sent to prison for it, but there is a judicial process and it is not appropriate for me to involve myself in it. As to whether I can ask Ofcom to examine those issues, my understanding is that legally, I am not able to do that at this stage.

Caroline Nokes (Romsey and Southampton North) (Con): Many constituents have expressed concerns to me about the deal. Can the Secretary of State inform the House as to how the corporate governance arrangements of the new company compare with those of other media organisations in the UK?

Mr Hunt: First, there are provisions with respect to corporate governance in undertaking 3.18. The board is required to set up a corporate governance and editorial sub-committee, which will be run by someone who has expert experience of what editorial independence is all about. To my knowledge, this is the first time that a media company in this country has had such corporate governance requirements enshrined in its articles of association. There will be a tougher requirement on it to adhere to those requirements than there is on other companies, because other companies are required to comply with the corporate governance code or explain why they are not complying, whereas this company will simply be required to comply with it.

Mr Geoffrey Robinson (Coventry North West) (Lab): Is the Secretary of State aware that the most likely, probably inevitable, outcome of his statement is that within 10 years, and perhaps in a much shorter period, News International will own 100% of both BSkyB and Sky News? Is he aware that the only way in which he could avoid that, and give his statement some shred of credibility, would be to have a clear, cast-iron undertaking by News International, in the articles of association or elsewhere, that it will not be allowed to regain 100% control of Sky News?

Mr Hunt: Undertaking 6.1 states that News Corporation is not allowed to buy additional shares in Sky News without the consent of the Secretary of State. Even after 10 years, when that agreement expires, were it to wish to acquire new shares in Sky News, it would have to go through potentially exactly the same process that it has gone through this time. The Secretary of State would have the option of asking Ofcom to examine the matter and referring it to the Competition Commission. All those safeguards will remain in place.

Nicola Blackwood (Oxford West and Abingdon) (Con): I thank the Secretary of State for his assurance that the new company will have to adhere to a stricter governance regime than any other UK media company, but given the distinct lack of public confidence in the process, what assurances can he give the House that that governance system will actually be adhered to?

Mr Hunt: First, there are provisions in the undertakings that give the Secretary of State powers to ensure that compliance happens, so I have some sanctions.

With respect to the approach to the decision that has been taken, today I have published 14 documents, including the ones that I am statutorily required to publish and many that I am not. I am not aware that any Minister involved in a similar decision has ever published so many documents. They include a timeline with details of every meeting that has taken place as part of the process. We will publish the minutes of those meetings at the end of the process. I hope that that commitment to transparency, and the fact that I have sought, published and, after consideration, accepted independent advice at every stage of the process, will reassure my hon. Friend's constituents of the total probity with which we have approached the decision.

John McDonnell (Hayes and Harlington) (Lab): I have to disappoint the Secretary of State, because many people will think that we have reached a new low in

British politics today, as the Conservative party, which was backed by Rupert Murdoch before the election, has delivered this deal within months of being elected. To ignore the 250,000 constituents who signed petitions and e-mailed him to oppose this deal is to ignore the democratic wishes of the population. He could have reassured them by referring the matter to the Competition Commission, and he can still do so. I therefore urge him, in the interests at least of the probity of British politics, to refer the matter, because nobody believes that the undertakings given by Murdoch will be adhered to in the long term.

Mr Hunt: We have not ignored the hon. Gentleman's constituents. They were concerned about an over-concentration of power over the British media in the hands of one or two people. The measures that I have announced today make Sky News more independent than it is.

On referral to the Competition Commission, I have sought independent advice from the expert regulator, Ofcom, which had a number of concerns—similar to those expressed by the hon. Gentleman's constituents—about the risks of the concentration of power of ownership of the media. It has said—this is in writing and I have published it today—that it is satisfied that all those concerns have been addressed.

Finally, I remind the hon. Gentleman that *The Sun* supported Labour in 1997, 2001 and 2005. The Conservatives did not complain then of dodgy deals, so Labour Members should not complain either.

Mr Philip Hollobone (Kettering) (Con): For those of us who have constituents who are unhappy about this proposed acquisition, can the Secretary of State tell us how members of the public can best take part in this consultation to let their views be known?

Mr Hunt: We are happy to hear all views, whether they agree or disagree with the proposals. There is an e-mail address on my departmental website to enable anyone to contribute. I encourage members of the public—whatever their views—to take part in the consultation, and indeed I encourage all hon. Members to do so.

Mr Dennis Skinner (Bolsover) (Lab): Whatever spin is put on this business today, there is no doubt that this is a disastrous day for democracy. The Murdoch empire—a political organisation—has now decided to gobble up this Government like it has gobbled up Governments before, which means that elected Members of Parliament have to play second fiddle to it. Is it not remarkable that Murdoch also operates the hereditary principle, and hands down power like a middle eastern despot from father to son?

Mr Hunt: In which case Mr Murdoch would not agree with my view on reform of the House of Lords. If the hon. Gentleman cares about freedom and democracy and looks at the details of the deal, he will find that if it proceeds—if I accept it after 15 or 17 days' consultation—it will make Sky News more independent than it is at the moment. That strengthens media plurality, which should reassure the many people who are understandably concerned to ensure that no one person has too much control. If James Murdoch wanted more control over news media in this country, he would not have proceeded with this deal. It is in order to buy the shares in the rest of Sky that he must cede significant control in Sky News.

Tony Baldry (Banbury) (Con): Will my right hon. Friend confirm that he has been engaged in not a political process but a quasi-judicial process under the Enterprise Act 2002, and that if now, or at the conclusion of the consultation process in 17 days, when he eventually makes a decision, anyone thinks that he has failed in that process, their remedy lies in judicial review?

Mr Hunt: My learned hon. Friend is absolutely right. In reality, we have to assume, because there are so many interests at stake, that any side that is disappointed with this decision will attempt judicially to review it. For that reason, at every stage of the process, we have sought to be completely transparent, impartial and fair, which is why today we are publishing all the documents relating to all the meetings—all the consultation documents, all the submissions we received, all the exchanges between my Department and News Corporation. People can thereby judge for themselves whether the process has been completely fair, impartial and above board.

Caroline Lucas (Brighton, Pavilion) (Green): How does the Secretary of State respond to the literally hundreds of constituents in Brighton, Pavilion who have contacted me to express their concern about this deal and their belief that the so-called Sky News remedy is no more than window dressing? They also ask how it can be right to support a takeover that will give News Corporation even more power at a time when Rupert Murdoch already exerts such an unhealthy influence on our media landscape.

Mr Hunt: If the hon. Lady's constituents are concerned to ensure that there is not an over-concentration of power over news media in too few hands in our country, I agree with them. I think that it is fundamentally extremely important. However, I would urge them to look at the outlines of what has been announced today. If they do, they will see that it actually strengthens the editorial independence of Sky News in a way that is completely unprecedented for any media organisation in this country. The second issue she raised, on the market power of News Corporation, is not one that I can consider in this quasi-judicial process, because this is about plurality in the provision of news. The market-dominance and competition issues in this country are decided not by Ministers, but at arm's length. In this case, the EU had jurisdiction, and it made its ruling on 21 December 2010.

Duncan Hames (Chippenham) (LD): I recognise the Secretary of State's commitment to transparency. In the light of the Government's experience of this case, however, does he welcome the burdens placed on Secretaries of State in such cases, or does he see merit in the wider application of automatic triggers relating to market share, for example, in order to address issues and concerns about news media plurality?

Mr Hunt: My hon. Friend asks a very important and pertinent question. The Ofcom report sent to me on 31 December 2010 pointed out that Ministers' ability to intervene in the public interest on grounds of news plurality can be triggered only when there is a corporate transaction. It cannot be triggered when, for example, a news organisation grows its market share organically. That is different from competition law, under which it is possible, through the Office of Fair Trading, to trigger a Competition Commission inquiry. It is reasonable to ask whether we should look at whether we have the triggers we need for this very important issue. I said in my statement that I will do that as part of our review of communications regulation for potential inclusion in a new communications Act this Parliament.

Chris Bryant (Rhondda) (Lab): I am sorry, but I think that this is a particularly shabby deal, and I think that it has been brought to us by a Secretary of State who made his mind up a long time ago. I say that because he told me so in East Grinstead last September, before this process even started. What would he say to my constituents in the south Wales valleys who suffer from Murdoch's virtual monopoly in broadcasting, particularly in respect of certain channels in south Wales, and in the provision of many channels and sporting opportunities? They are deeply concerned that the guarantees that have supposedly been given are no stronger than those made in relation to *The Sunday Times* and *The Times*, and will not stand the test of time.

Mr Hunt: It is not a question of what I think as much as what independent regulators who have been involved in every stage of the process have said, and whose advice I considered before making my decision. I not only considered their independent advice, but, as it happens, followed it. It has been extremely important to do so, because in this decision, of all decisions, people are understandably suspicious of the motives of politicians. That is why I have involved independent people at every stage of the process. I would say to the hon. Gentleman's constituents that it is very important that we have a competitive market in the media. It is very important that we have competition, and we want to ensure that that is the case. We have a competition regime to ensure that it happens, and we will continue to police that regime diligently.

Julian Smith (Skipton and Ripon) (Con): I welcome the Secretary of State's comments about sanctions. Will he say a little more about the monitoring procedures for the new company?

Mr Hunt: In the undertakings published today the Secretary of State has the right to intervene to ensure full compliance with all the undertakings that have been made, and it is important that that should be the case. It is impossible to predict every situation that might arise in a market landscape that is changing as rapidly as the media market. The issue has been looked at carefully by independent experts—they are far more expert than I am—who are confident that, in so far as it is possible to envisage all future situations, those undertakings will secure the independence of Sky News for the 10-year period of the carriage deal.

Kerry McCarthy (Bristol East) (Lab): Since the news broke this morning, I have had a significant number of e-mails from constituents. One says:

> "The promises made by Mr Murdoch are not worth the paper they are written on".

Another says:

> "Rupert Murdoch will still have directors on the board of Sky News, he'll still control the flow of cash to Sky News and the distribution network…It's smoke and mirrors, and media plurality is still under threat."

It is clear that they are not reassured by the Secretary of State's professions that the process has been strictly impartial and fair. What else can he tell me to reassure them, because, to be honest, I do not think he can?

Mr Hunt: Let me address the two points that the hon. Lady raises. First, the majority of the directors of the new company will be independent, as will the chairman. That is different from the situation now, where the non-executive chairman of Sky is James Murdoch. The second issue that she raised was the flow of cash from News Corp. That is part of the 10-year carriage agreement that is negotiated at the very start of the process. In a way, it is like the licence fee negotiations with the BBC, in that it secures the new organisation's cash flow for 10 years. Sky cannot get out of supplying that cash except in extreme conditions, and where there is a dispute about it there is a dispute resolution procedure involving independent arbitration, so the new organisation will be as sure of that cash flow over the 10-year period of the carriage agreement as anyone could be.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): I should also declare an interest, in that I have a brother, Charles, who is a cricket correspondent for Sky television and, I am told, can be seen nightly presenting the world cup highlights.

Can the Secretary of State confirm that should the deal not go through for some reason, the Murdoch family would not have to dispose of their interest in Sky News to such an extent?

Mr Hunt: I am trying to make sure that I have understood that question. If the deal does not go through, we remain with the status quo, which is that Sky will be 39.1% owned by News Corporation. On the other hand, the independent safeguards and guarantees for Sky News envisaged in the deal would not be put in place.

Mr Chuka Umunna (Streatham) (Lab): I, too, have received a huge amount of correspondence from constituents on this issue. Independence is clearly key, but in practice it will be extremely difficult to achieve. Does the Secretary of State really think that it will be possible for the board to sit aside, independently of its biggest shareholder and biggest customer? Will he also say whether News Corp-Sky will be permitted to buy advertising air time on the new Sky News channel, and, if so, whether that revenue stream is included in the 65% figure he gave earlier?

Mr Hunt: The 65% figure is based on the carriage agreement, which is the fee that Sky would pay to Sky News for providing the news service that would be broadcast on the Sky platform. It does not involve any advertising to my knowledge. That is the first point. The second point that the hon. Gentleman mentioned—

Mr Umunna: But is it actually possible in practice?

Mr Hunt: I thank the hon. Gentleman for kindly reminding me of the first part of his question. There is no doubt that someone with a 39% shareholding in a company has significant influence in the way it is run. For example, ITV has a 40% shareholding in ITN. However, the independence that the new board will have is unprecedented. It is enshrined in the articles of association of the company in a way that the independence of ITN, for example, is not. Despite the fears of many people, Sky News has been run with pretty sound editorial independence for the past 20 years while under a much greater degree of potential control by News Corporation than has in fact been exercised. So it is possible to have confidence that Sky News will continue to be run with proper, full editorial independence. I thank the hon. Gentleman for his forbearance.

Amber Rudd (Hastings and Rye) (Con): Given that Ofcom initially believed that it would need to refer this case, due to concerns about plurality, will the Secretary of State tell us what elements of these arrangements convinced it that it should not do so?

Mr Hunt: Yes, I am happy to do so. There are a number of things, but I shall outline the main thing that has reassured Ofcom since its first report, which was delivered on 31 December. That report stated that, under the original deal proposed by News Corporation, Sky News would cease to exist as an independent media entity. That will not be the case under the new structure that has been proposed and published today. Sky News will be a separate company. It will not be majority owned by News Corp, and it will have an independent chairman. A huge number of safeguards will be put in place to secure the editorial independence that has been a key part of its success to date and that needs to be protected in the future for reasons of news plurality.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): I, too, have received a huge volume of correspondence from constituents who are concerned about the plurality of the media following this deal. I should declare an interest: up until the election, I worked for Ofcom. I am therefore very familiar with the real difficulties involved in monitoring and policing behavioural undertakings of this kind. The Secretary of State said that he gave Ofcom the time that it needed to make its recommendation. Will he promise to give the public the time that they need to gain confidence in these undertakings?

Mr Hunt: If the hon. Lady used to work at Ofcom, she will understand that there is a big difference between behavioural remedies and structural remedies. We are talking here about structural remedies. They are not a promise of good behaviour; they are remedies concerning the structure, the articles of association and the board of directors of a new company. They involve obligations that are legally enforceable, and they are therefore much stronger. Ofcom has said that it is happy that the requirements are strong enough to satisfy its concerns. Of course we want this to be a full consultation—it is very important that we do that—but I am satisfied that the 17 days will give people enough time to look at the deal and voice their objections. We have already had a number of e-mails on the issue, as I am sure the hon. Lady has. We will consider fully all the opinions that are expressed to us before coming to a final decision.

Bob Blackman (Harrow East) (Con): Having spent 12 years of my life before being elected to the House working in regulatory compliance, I know that the monitoring arrangements are critical in cases such as these. Will my right hon. Friend tell me who will be responsible for the monitoring of these undertakings and, specifically, who will monitor the share dealings for the new Sky News company to ensure that neither Rupert Murdoch nor his nominees purchase shares in the company in order to acquire a monopoly within the 10-year period?

Mr Hunt: My hon. Friend makes an important point. It is written in black and white that they are not allowed to purchase any additional shares in the new company without the consent of the Secretary of State. Were they to be in breach of that, they would threaten the entire deal that, if it goes ahead, will allow them to purchase the remaining shares in the rest of Sky. So the sanctions are very considerable indeed, and we will monitor the deal very carefully to ensure that there is compliance. My hon. Friend will see, when he looks at the undertakings, that they contain a number of explicit provisions to ensure compliance. Those provisions have satisfied the Office of Fair Trading and Ofcom, and that is why I have confidence in them as well.

Sheila Gilmore (Edinburgh East) (Lab): The deal that Mr Murdoch really wants—the buy-out that gives him control of BSkyB—might well have happened by the time that the circumstances described have taken place, so where is the real sanction? Might it not be better from the public point of view if it were not the Secretary of State but an independent person who had any say on further buy-out shares?

Mr Hunt: I recognise the hon. Lady's concerns. When she has a chance to look in detail at the undertakings, she will find that many of them have to be delivered before the purchase of the Sky shares is allowed to go ahead. We have been very strict on the timelines and want to ensure that as much of it as possible is delivered as quickly as possible. As for who should be the final decision maker, all I will say is that because I have been so conscious of the public's worries about the motivations of politicians in these kinds of decisions, I have sought independent advice at every stage before taking the decisions in this process, and if I am required to make any similar decisions I will continue to seek independent advice in the future.

Andrew Bridgen (North West Leicestershire) (Con): Will the Secretary of State explain what will happen if, at some time in the future, News Corporation wants to cancel the carriage arrangements for the licensing deal after the transaction has taken place?

Mr Hunt: If News Corporation were to do anything like that, a dispute resolution procedure is specified in the undertakings, which it would be obliged to follow.

[Mr Jeremy Hunt]

In the end, if it is followed through, it leads to independent arbitration, so I am satisfied that it will have to be good for its money and honour the spirit of the carriage and brand licensing agreements as laid out in those undertakings.

Mr Tom Watson (West Bromwich East) (Lab): On a point of order, Mr Speaker. Members on both sides of the House were disappointed that a statement of such importance was taken in the middle of the afternoon, but out of respect for our Ulster Unionist friends we have tolerated that decision. What I believe is intolerable is the fact that the Secretary of State saw fit to parade around TV studios before making the statement to the House. Has he availed himself of the opportunity to ask whether he can apologise to you, Mr Speaker, and to the House for this discourtesy?

Mr Speaker: The short answer to the hon. Gentleman's question is no. The timing of the statement is not quite what Members had expected, which was evident during earlier exchanges in the presence of the Leader of the House. The circumstances that led to the timing of this statement were explained: there is a balance of considerations, and it was felt important to protect the Democratic Unionist party's half-day debate. When I became aware of the situation, it seemed to me that such protection must be guaranteed. I confess, however, that I had rather expected—and had indeed been led to expect—that although announcements to the stock exchange would be made, no media interviews would be undertaken before a statement was made to the House. I was led to expect that and the Secretary of State knows very well that I was led to expect that, so the fact that interviews have taken place is a notable disappointment and it might be regarded by some as a discourtesy to the House. In those circumstances, I feel sure that the Secretary of State will want to be aware of that discourtesy and will take the opportunity to express his regrets to the House.

Mr Hunt: I am, of course, prepared to apologise if there is any element of procedure that I have not followed correctly. I would like to explain that I did one clip under embargo and the deal I made with the media organisations was that they should not use it until after the statement had been made. However, because the issue was referred to in oral questions earlier today, some of those media organisations took that to mean that the issue had been addressed in the House and went ahead and broke that embargo. I made the position very clear and I did no media interviews other than that one clip under embargo. I want to make that clear so that the House can understand what happened.

Mr Speaker: I thank the Secretary of State for the explanation that he has kindly offered to the House. There is no doubt that the situation had not been fully anticipated and has not been the subject of the range of internal exchanges that would ordinarily be expected. I know he is aware of that, and what he has said is courteous. I am happy to leave it at that.

Chris Bryant: Further to that point of order, Mr Speaker. Does that not show that undertakings made by media organisations are not necessarily all that helpful or reliable?

Mr Speaker: Very good point. I am sure that the hon. Gentleman will accept, however, that I am not responsible for such undertakings, which is probably as well. I think I will leave it at that.

PETITION

Rail Services (Melksham, Wiltshire)

3.50 pm

Duncan Hames (Chippenham) (LD): I present a petition begun by Melksham Oak community school and supported by pupils at the school. The petition has now been signed by more than 300 of my constituents. Melksham deserves a better train service, and vast improvements could be made at minimal cost through the allocation of a small number of carriages to the TransWilts line.

The petition states:

> The Petition of Melksham Oak community school and the people of Melksham in Wiltshire,
>
> Declares that Melksham has one of the poorest train services in the country for a town of its size with only two services a day each way at times which are impractical for commuters; notes that travelling to work, school, or even visiting friends could be made easier with more trains on Wiltshire's railway; and further notes that the Government will be reallocating a number of trains no longer needed in London and the South East to other parts of the rail network.
>
> The Petitioners therefore request that the House of Commons calls upon the Government to allocate additional carriages for use on the TransWilts service between Swindon and Salisbury, calling at Melksham.
>
> And the Petitioners remain, etc.

[P000892]

Children's Heart Surgery (Leeds)

Motion made, and Question proposed, That this House do now adjourn.—*(Mr Dunne.)*

3.52 pm

Stuart Andrew (Pudsey) (Con): I am grateful for the opportunity to hold an Adjournment debate to discuss the Leeds children's heart unit.

Before being elected, I spent a considerable part of my career in the children's hospice movement. During that time, I built up a great deal of understanding of the issues faced by families who have a child who is very poorly. Leeds MPs are working as a cross-party group to do the best for our city. We have each taken on a role, and mine has been in relation to health. During the Christmas recess, I spent two days at the two hospitals in Leeds. I was particularly interested to see Leeds general infirmary's children's services, which have recently been reconfigured and are all in one place. It was my first opportunity to visit the heart surgery unit there. At that point, I learned for the first time about the safe and sustainable review of heart units across the country: at the moment, there are 11 units in the United Kingdom, and the national health service propose to reduce that number to six or seven.

The review has already published four options, and I am surprised and disappointed that Leeds features in only one of those. It is my belief that if the Leeds unit closes, it will leave a huge gap in provision, from Leicester or Birmingham in the south, to Newcastle in the north, and Liverpool to the west. It will mean that children from Yorkshire, north Derbyshire and north Lincolnshire will have to travel long distances, at considerable expense to their families. Indeed, I am aware of families in your constituency, Mr Deputy Speaker, who have been using the service. People from far and wide are dependent on the service at Leeds, so there is an effect not just on Leeds but across Yorkshire and neighbouring counties.

Nic Dakin (Scunthorpe) (Lab): I congratulate the hon. Gentleman on having secured this timely debate. Like him, I spent some time observing children's heart services in Leeds a few months ago. Only this week I was contacted by a constituent who expressed concern about the impact of closures. That constituent's daughter is now five years old. When she was eight days old, she was able to undergo important surgery in Leeds. Does the hon. Gentleman agree that Leeds is particularly well placed, and that its expertise and critical mass of children's services make it very necessary for it to continue its excellent work?

Stuart Andrew: I entirely agree. I was about to deal with that point. I believe that there is a very strong case for Leeds. It has the capacity to expand, and is within a two-hour drive for nearly 14 million people. It has one of the highest population coverages among all the units in England, with 5.5 million people in the Yorkshire and Humber region. Leeds is, of course, centrally located in the north of England, and can accommodate patients from outside the current catchment area.

Alec Shelbrooke (Elmet and Rothwell) (Con): I congratulate my hon. Friend on securing a debate on an issue that is vital to the people of our city. Leeds is not only central, but has been described as the motorway city. It has excellent rail links as well, which makes speedy access to the hospital possible.

Stuart Andrew: I am beginning to think that some Members have already seen my speech. I am getting ahead of myself. We have the M1, the A1, the M62 and excellent rail links, which make Leeds very accessible. The Leeds Hospitals NHS Trust has centralised children's services, which I think meets the requirements of the Department of Health's critical interdependency report. On 18 February the British Congenital Cardiac Association, which is a leading support organisation of the safe and sustainable review, released a statement saying:

> "For these services at each centre to remain sustainable in the long term, co-location of key clinical services on one site is essential."

Leeds General Infirmary is at the forefront of work on inherited cardiac conditions, and has an excellent record of providing safe, high-quality children's heart surgery. The Yorkshire region has significantly higher birth rates than other parts of the country, particularly the north-east, and there is no doubt that demand will increase.

The review is informed by the overall opinion that a reduction in the number of centres is the best way in which to secure a safe and sustainable future service. It is guided by four principles, and I believe Leeds more than meets their requirements. The first is quality. The paediatric cardiac service at Leeds General Infirmary extends from pre-natal diagnosis to the treatment of congenital heart disease in adults, with excellent clinical outcomes. It has high standards and a personal service, and, as I have said, is located very centrally.

During the assessment process, Sir Ian Kennedy and his assessment panel visited every children's heart surgery unit in England. They produced individual assessment reports on each of the units two weeks before the presentation meeting at the joint committee of primary care trusts on 16 February. At the meeting, the four reconfiguration options were presented. They were based on a number of factors contained in the panel's assessment reports. However, I understand that there are significant factual inaccuracies in Sir Ian Kennedy's report on the Leeds unit, and that its representatives were given no opportunity during the process to comment or request amendments of the factual inaccuracies before decisions were made about the configuration of the options for consultation.

At a meeting of the all-party parliamentary group on heart disease on 9 February, when asked when units would be able to challenge and amend inaccuracies in their reports, Jeremy Glyde, the programme director of the safe and sustainable review, said that that could be done during the consultation process.

The reports that the reconfigurations were based on contain fundamental inaccuracies, but they can be challenged only during the consultation period to decide which option is preferred. For Leeds, these inaccuracies include the following. Sir Ian Kennedy's report documented that Leeds has no transition nurse and separate paediatric intensive care unit; neither point is factually accurate, to the extent that his assessment panel actually met, and talked to, one of the unit's three transition nurses. The joint committee of primary care trusts advised at its meeting on 16 February that Leeds had stated that it could not do more than 600 operations. Again, that is

[Stuart Andrew]

factually incorrect— Leeds was never asked—but it was stated as the reason why two of the 14 options that were considered were discounted. The commissioners have acknowledged that this was an assumption and not based on what Leeds had said. In the pre-consultation business case for Leeds, start-up costs were reported as £2 million. That figure was not provided by Leeds, and is not representative of the accurate costs provided to the safe and sustainable review panel.

Craig Whittaker (Calder Valley) (Con): I congratulate my hon. Friend on securing the debate. A young constituent of mine, Libby Carstairs, was in a poorly state and spent more than six months in the Leeds heart unit. The beauty of her being in Leeds was that her parents, her grandparents, and sometimes even some of her friends, could come over to aid her recovery process. Also, her head teacher from Carr Green school had the privilege of being able to go there with cards from her friends. Does my hon. Friend agree that the value of that to young Libby's recovery process far outweighs any monetary value?

Stuart Andrew: I completely agree. When I worked at Martin house, we found that one of the big problems was the travelling distances—some people lived on the coast in Scarborough, for instance. It is very important that families are able to get to a centre quickly, because when a child is sick they want their mum and dad there—and we want that when we are a bit more than a child too. These facilities must be accessible, therefore.

Julian Sturdy (York Outer) (Con): I too congratulate my hon. Friend on securing this important debate for our region. Many of my constituents in York are very concerned about the potential closure, which would mean that they would go to Newcastle, so my hon. Friend makes a good point when he says this is about the whole region. Because of the lack of transport links on the eastern coast of our region, it could be greatly affected by the closure, and I do not think sufficient account has been taken of that.

Stuart Andrew: Given the location of Leeds and the extent of the population all around it, it seems very odd that Leeds is not being considered.

Julian Smith (Skipton and Ripon) (Con): I cannot think of a better colleague to lead this debate than my hon. Friend. Earlier today, I received an e-mail from Lois Brown, whose daughter Amelie was born with half a heart. She and her surgeons believe that her daughter would have died if Leeds had not been geographically close. Does my hon. Friend agree that the presence of LGI is the difference between life and death for many children in North Yorkshire, one of the most rural counties in England?

Stuart Andrew: I absolutely agree. For hearts, time is of the essence. We need to be sure that people can get where they need to be quickly. I met my hon. Friend's constituent the other day, and she spoke very powerfully and emotionally about what that meant in her case. I cannot imagine how families in these situations must feel. It is imperative that there is a facility close by.

Returning to the reviews, there are also inconsistencies in the application of some of the principles. So, for example, Liverpool and Birmingham are in all the options because of density of population and access for patients, but the same does not seem to apply to the Leeds case. That is odd and I do not know why the Liverpool and Birmingham cases are different.

Not enough emphasis has been given to co-location. The facility at Leeds general infirmary is wonderful now—I am given to understand that it is the second largest children's service in the whole country—so taking away its heart unit and the expertise that has been gathered there over the years is strange. This is not just about children's heart services, because the process has failed to seek views from adult congenital patients. The doctors who operate on the children also operate on the adults and it appears obvious that wherever the children's heart services go, so, too, will the services for adults. Will they have had an opportunity to be consulted on what was going to happen to those services? This is about a much wider point than just children's services.

Alec Shelbrooke: My hon. Friend may be coming to this issue, but could he comment on the fact, which has been put forward every now and again, that Newcastle is favoured because its facility performs adult heart transplants? We recognise that surgeons have equal skills and just because somewhere does the adult heart transplants, it does not necessarily mean that we should move the children's heart surgery to that department.

Stuart Andrew: That is a very valid point and I shall shortly discuss something that was said the other day because it will comment on that.

I shall conclude now because I know that a couple of other Members have expressed an interest in speaking in this debate. I understand that this process is going to be difficult and that there is a need for a review. Severe problems have been experienced in parts of the country and it is right that a clinically led decision is made, but I want that decision to be made on the basis of facts that matter to local people and that are accurate. As I have mentioned, there are real problems with the assessment and the options that have been mentioned. Emotions will of course run high, because this is a very emotive subject. It is incredibly moving to listen to the families I have been speaking to since this matter first arose. They describe how their children and their babies were so close to death but how, thanks to the expertise that was provided at this location, which they were able to reach, their children are at least here and receiving the wonderful care that is provided, although they may be poorly.

There is a case to be made for the facility at Leeds in terms of geography, population and access. We like to tick boxes in this country and everything is ticked in this case for Leeds. I would be grateful if the process could be examined. Some powerful comments were made and cases were mentioned at a meeting held with parents and clinicians here on Tuesday. They are desperate for this unit to remain open. As someone said at that meeting, the doctors should move where the patients are; it should not be the other way round.

4.8 pm

Hilary Benn (Leeds Central) (Lab): I congratulate the hon. Member for Pudsey (Stuart Andrew) on securing this debate and I thank hon. Members on both sides of the House who have signed early-day motion 1459, which expresses the views that we have just heard in his eloquent speech—he has really made the case.

I simply wish to say a couple of things, the first of which is that I have the honour to represent Leeds general infirmary and I had the opportunity, as the hon. Gentleman did, to visit the heart surgery unit about a month ago. I met the staff, who with care, compassion and enormous skill look after very sick children and their families, and I had a chance to talk to some of the families themselves. It is, as he said, a very stressful and difficult time for the families and children, particularly when the children reach an age at which they become aware of what they are about to go through and see other children who are sick—but they are in very capable and reassuring hands.

The case that has been made by all who are concerned that the unit at Leeds general infirmary should remain open is overwhelming. I wanted to put that directly to the Minister, and it is good to see him here. For all the reasons that have been set out, which I shall not repeat, there is a clear case for keeping Leeds open. Like the hon. Member for Pudsey, I do not for a second argue with the basis of the review and its origins. Clearly, for anyone who has responsibility for ensuring that children's heart surgery is as safe as it possibly can be, not least the Minister, it is right, given what has happened in certain places, to look at the things that will tell us that we have that safety and security for patients. We from Leeds and the region are not campaigning for anyone else's unit to close, and I share others' disappointment that Leeds figures in only one of the options. We are simply saying that the Leeds unit should remain open and that that should happen alongside other decisions that the Minister and others have to take. That is a heavy responsibility to bear.

My final point concerns the meeting that took place earlier this week and I thank the hon. Member for Pudsey for giving us the opportunity to come together. I, too, listened to Amelie's mother speak and the room was absolutely silent as she described what she had been through. I want to convey to the House the depth of feeling about and the strength of support for the Leeds unit. The determination of the thousands of parents whose children's lives have been saved by the unit and of the millions of parents who hope that the unit will continue should their children face the same difficulties is very powerful. This debate, which is very timely, is part of the campaign we are waging because we are determined that the Leeds unit should remain open. The Minister will soon get a request to receive a delegation from the large number of Members who represent constituents who have benefited from the unit's work and who hope to benefit in the years ahead; it is good to see so many of them here. We will not rest until the unit is declared safe for the future in the interests of the people whom we have the honour to serve.

4.12 pm

The Minister of State, Department of Health (Mr Simon Burns): I congratulate my hon. Friend the Member for Pudsey (Stuart Andrew) on securing this important debate. It is a strong reflection of hon. Members' commitment not only to their local health service but to the Leeds hospital and its facilities and services that so many are present. I am particularly pleased to see my hon. Friends the Members for Harrogate and Knaresborough (Andrew Jones), for Elmet and Rothwell (Alec Shelbrooke), for Skipton and Ripon (Julian Smith), for York Outer (Julian Sturdy) and for Calder Valley (Craig Whittaker). I am also pleased to have heard from the right hon. Member for Leeds Central (Hilary Benn) and to see the hon. Member for Scunthorpe (Nic Dakin) here. Their presence reinforces their commitment to their local health service and the facilities in the local hospital.

Let me take this opportunity to pay tribute to the dedicated NHS staff who work in children's heart services in Leeds and across the country. They do a fantastic job for which we are all incredibly grateful.

As I know my hon. Friends and Opposition Members will appreciate, this is a complex and, understandably, highly emotive area, but it is worth reminding ourselves of the genesis of this review. For years, experts in the field, including professionals and national children's charities, have urged the NHS to review services for children with congenital heart disease.

Although there has been no specific problem, concerns have been raised about the risks posed by the unsustainable and sub-optimal nature of smaller surgical centres. Experts agree that, with small centres, there are issues with the recruitment and retention of surgeons and that there is a risk that those who are recruited find themselves working in isolation in units that are not up to date with modern techniques and clinical practice. Smaller centres struggle to train and mentor junior surgeons, making such units less attractive to the surgeons of tomorrow.

The provision of children's heart surgery has been a cause of concern since the Bristol inquiry in the late 1980s. Understandably, there has been considerable pressure from national parent groups to ensure that children receive the best treatment. The Monro report in 2003 set out standards of care and pointed to the need for reconfiguration to concentrate expertise. That need has become ever-more pressing with the increasing complexity of treatment.

In the light of clinical concern in June 2006, Roger Boyle, the national clinical director for heart disease and stroke, and Sheila Shribman, the national clinical director for children, young people and maternity, chaired a consensus workshop of service providers, specialised service commissioners and relevant parent groups. The unanimous view was that there should be fewer, larger centres of excellence. The workshop concluded that the current service configuration was not sustainable and that a long-term national view of how services might be reorganised should be developed.

In 2008, the NHS medical director, Sir Bruce Keogh—a heart surgeon—asked the national specialised commissioning group to explore how the reconfiguration of children's heart surgery services in England could improve the sustainability of the current service and lead to better clinical outcomes for children. The national review, known as "Safe and Sustainable", aims to ensure that children's heart services deliver the highest standard of care regardless of where patients live or which hospital provides the care.

I must emphasise that the review is clinically-led and that both it and the case for change are supported by parent and patient groups and by clinicians working in the service and their professional associations, including

[Mr Simon Burns]

the Children's Heart Federation, the British Heart Foundation, the Royal College of Surgeons, the Royal College of Paediatrics and Child Health, the Royal College of Nursing, the British Congenital Cardiac Association and the Society for Cardiothoracic Surgery in Great Britain.

Julian Smith: Does the Minister agree that, as well as the importance of the clinical need, distance is vital and that the points made in the debate for this most rural and sparsely populated area of our country must be taken into account in the decision?

Mr Burns: Distance is one of a number of factors that, of course, will be considered by those people who are involved in the consultation process, although I advise my hon. Friend that some of the organisations involved in such medicine have certainly told me—I have met some of them personally—that many parents think not so much about the distance that must be travelled as about getting the best treatment for their children. They are prepared to travel further to secure that fine treatment for their children than we may think from what our constituents who want to have district general hospital treatments tell us. The question of distance must be put into perspective, and it is not an overriding factor that secures any decision one way or another solely on that basis.

Nic Dakin (Scunthorpe) (Lab): I recognise what the Minister says about distance. Parents want good outcomes for their children—that is why parents in Scunthorpe travel to Leeds—but distance can have an impact on clinical outcomes. Certainly, when the weather was terribly bad around Christmas time, the distance to travel to get good clinical outcomes made a difference. Distance and clinical outcomes are related.

Mr Burns: I am grateful to the hon. Gentleman for his intervention, which in many ways reflects that made by my hon. Friend the Member for Skipton and Ripon. I was making a simple, factual point about the view of many parents at present. As a Minister, it is certainly not for me to interpret and give a view on that, because, as will become apparent later in my remarks, the consultation is being done by others. It would be totally inappropriate for me, as a Minister, to seek to interfere, prejudge or prejudice any outcome of the consultation process. I hope that both my hon. Friend and the hon. Gentleman will appreciate the position that I am in in, that respect.

The review wants to ensure that as much non-surgical care is delivered as close to the child's home as possible through the development of local congenital heart networks. The joint committee of primary care trusts agreed the shortlist of four options for the future of children's heart surgery on 16 February 2011. The committee was set up as the formal consulting body for the review and to take decisions on the issues arising from it. My hon. Friend the Member for Pudsey will know that Leeds general infirmary is included in one of the shortlisted options that went out to consultation on 1 March, and the consultation will continue right through until 1 July. There are also public events taking place during the four-month consultation, and there is one in Leeds on 10 May at the Royal Armouries museum. I urge all hon. Members and as many individuals, not only in the local community, but those interested in the services that Leeds provides for patients, to attend.

I want to pick up on the point that my hon. Friend made about inaccuracies in Sir Ian Kennedy's report. In response to the safe and sustainable interim report last summer, the report's team received correspondence from the trust about concerns on inaccuracies. The team thought that they had addressed those in the final report in December, and I can only assume that that information is correct, because the trust has made no further approach to the team on the concerns about the information in the final report. I hope that that clears up the problems identified between the interim report and the final report in December.

I also want to emphasise that no decision has been made on which centres should continue to undertake surgery. That will be decided only after the responses to the consultation have been properly and fully considered. I give that assurance to hon. Members today. It is also important to recognise that the safe and sustainable review is only one element of a larger NHS review of congenital cardiac services in England. The NHS is also reviewing the provision of services for adults with congenital heart disease, and I understand that the designation process to determine where the adult services will take place will start later this year.

There are powerful clinical reasons driving the review. The trend in children's heart care is towards increasingly complex surgery on ever smaller babies. This requires working in surgical teams large enough to provide sufficient exposure to complex cases so that surgeons and their teams can maintain and develop their specialised skills. Larger teams also provide the capacity to train and mentor the next generation of surgeons and other staff.

Hilary Benn: Does that not strengthen the argument for looking at centres where there is co-location of services, because, as the Minister will recognise, a sick child with a cardiac condition might have a bowel obstruction, for example, and the ability to call on a skilled surgical colleague straight away to deal with that on the same site is a powerful argument for retaining the unit at Leeds, where co-location of services is found?

Mr Burns: I am very grateful to the right hon. Gentleman for making that point. He puts me in a slightly difficult position, because I genuinely do not want to be unhelpful. A consultation is ongoing through the joint committee of primary care trusts, however, and it would be totally inappropriate to start debating the rights and wrongs, the pluses and the minuses, of any one individual hospital or centre. It would be inappropriate—it might be construed as trying to influence, pre-judge or prejudice the consultation process—and I am sure that the right hon. Gentleman agrees wholeheartedly that it would be totally unacceptable for Ministers to start getting involved in that way. I hope he will accept that, for the best of intentions, it would be inappropriate for me to start debating that issue with him, however right or wrong he might be. I can tell him, none the less, that he has ample opportunity during the consultation process to make those very points to the JCPCT.

Stuart Andrew: I understand that, before the consultation document came out, one member of the steering committee gave her personal view of which unit should stay open. Does the Minister not agree that that might give some cause for concern?

Mr Burns: My hon. Friend is pushing me and tempting me, but I shall be up front and straightforward: I am unaware of that situation, and it would be unwise of me to start commenting on something that I do not know the background to or—if the conversation was had or the statement made—the circumstances of it. I hope he will forgive me if I do not go down that path.

Andrew Jones (Harrogate and Knaresborough) (Con): I thank the Minister for giving way, because I know that he wants to make progress.

As part of the process, may I ask that the support facilities for families will be considered, because, at a time when one is dealing with sick children, families are under very great pressure? There is a new facility at LGI, Eckersley house, which has been in existence for a while, but it has moved to a new location and opened only last year. It provides 22 rooms for families to stay in while visiting sick children, it is a key part of the broader provision of support that is necessary and I know that it will be a very welcome development for families.

Mr Burns: I am very grateful to my hon. Friend for mentioning that facility, which I have no doubt is not only welcome but extremely helpful to families, particularly at a very difficult time in their lives. Again, it would be inappropriate for a Minister, in a top-down way, to start decreeing what should or should not happen; I believe that decisions about such services and facilities must be taken locally. I am sure, however, that the relevant authorities will not only learn of my hon. Friend's contribution, but no doubt benefit from his expertise in lobbying them to ensure that the service continues.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): Will the Minister take a very quick view from the Opposition Benches? We are old friends.

Mr Burns: Yes.

Mr Sheerman: Some of us were rather caught short, because we did not realise that the debate would start so early. For someone who lives in Huddersfield with a child who needs specialist care, the common sense consideration seems to be accessibility. Why do we not get more specialists in Leeds, so that we can access the vast population in our parts of Yorkshire and Lancashire?

Mr Burns: The hon. Gentleman is a very experienced parliamentarian, and I do not say this in any rude way, but he was not present when his right hon. Friend the Member for Leeds Central spoke. That is not a criticism, but I shall make to the hon. Gentleman the same point that I made to his right hon. Friend: the consultation process and review is being carried out not by Ministers and politicians, but by the JCPCT. As we are engaged in the consultation process, it would be inappropriate and wrong of me to pontificate from this Dispatch Box on the merits or demerits of one case or another. I hope that the hon. Gentleman will accept that that is meant to be a helpful reply, even if it is not the answer that he was seeking. *[Interruption.]* Fair enough. I am not criticising; I just want him to understand the position that I am in, because I do not want—*[Interruption.]*

Mr Deputy Speaker (Mr Nigel Evans): Order. We cannot have chit-chat across the Chamber in this way.

Mr Burns: Thank you, Mr Deputy Speaker. *[Interruption.]* The hon. Gentleman is indeed being nice to me, and I appreciate it.

As I was saying, smaller surgical units often struggle to recruit and retain new surgeons. They also find it difficult to provide a safe service around the clock.

Under the auspices of the review, an expert group has developed a comprehensive set of service standards, taking into account the contributions of parents and professionals. The standards cover the whole of children's heart services. They also reference other relevant professional standards and guidance, including the co-location of other clinical services that are interdependent with children's heart surgical services, the need for larger surgical teams to be able to provide a 24/7 emergency service, and the development of clinical networks of providers to ensure a coherent service for children and their families. I think that in some ways that picks up on the point made by my hon. Friend the Member for Pudsey. The current centres have been visited and assessed against these standards by an independent expert panel.

I would like to go into a little more detail on a few of these standards to clarify areas which cause particular concern. On the standard on the number of procedures and surgeons, I can assure my hon. Friends and Opposition Members that there is convincing evidence from this country and overseas that larger centres, seeing more cases, are better able to consolidate their expertise and deliver better clinical outcomes. The recommendation on the number of procedures—between 400 and 500 a year—is based on the level of activity needed to provide good-quality care around the clock while enabling ongoing training and mentoring of new surgeons. This recommendation is based on the outcome of international research on minimum numbers of procedures in surgical centres. It has strong professional support in this country, including from the steering group of professional experts that was convened under the auspices of this review. In addition, there is a consensus among professional associations on minimum staffing levels that four surgeons in each centre should avoid the risk of surgeons not being able to maintain and develop their skills.

At this point, I would like to pay tribute to the commitment and dedication by talented NHS staff delivering congenital cardiac services. We have a responsibility to ensure they are supported as well as possible, and that includes ensuring that they do not risk burn-out if left to practise alone. Transforming a service from one that is "adequate" to one that is "optimal" requires sufficient volume, expertise and experience to develop what Sir Bruce Keogh calls "accomplished teams".

Co-location, which I mentioned earlier, refers to the proximity of other critical services to the children's heart surgery service. In this context, these services include specialised paediatric surgery; paediatric critical care; paediatric ear, nose and throat; and paediatric anaesthesia. The accepted definition of "co-location"—services either on the same hospital site or on a neighbouring hospital site—and which services should be co-located

[Mr Simon Burns]

was set out in the 2008 publication, "Commissioning safe and sustainable specialised paediatric services: a framework of critical inter-dependencies". This guidance is endorsed by the relevant professional associations, including the Royal College of Paediatrics and Child Health, the Royal College of Surgeons and the Royal College of Physicians. I can assure hon. Members that the safe and sustainable review has correctly applied the accepted definition of "co-location", as set out in the guidance, as meaning either on the same hospital site or on a neighbouring hospital site.

Hilary Benn: I am grateful to the Minister for giving way again. It would be very helpful for the Members present who care about Leeds if he could clarify whether it is the case that to figure in any of the options—obviously Leeds figures in one—the units that are listed must have met the test that he has just very helpfully described to the House. If that is the position—he cannot say this, but we will—it further strengthens the case that we have been making this afternoon.

Mr Burns: I am just giving a moment's thought to that, partly because I do not want to interfere. Probably the most helpful thing that I can do so that I do not mislead the right hon. Gentleman is to write to him shortly with a definitive response to that important question.

On the question of travel times, which has been raised in this debate, I recognise that there may be concerns that with fewer centres, people will have to travel greater distances. However, the review has consulted parents around the country, and they have said repeatedly, as I mentioned to the House earlier, that issues of quality and good clinical outcomes are paramount in the treatment of their children. The review team recognises that this is a significant issue, and I have sought and received assurances that it has been looked at extensively as part of the review process. We need to recognise that although some families will have to travel further for elective surgery, the review proposes to reduce journey times for non-surgical care by bringing assessment and follow-on care closer to home through the development of congenital heart networks. I have also been assured that all the options comply with the Paediatric Intensive Care Society standards, which have been developed by experts in the field and stipulate maximum journey times for children who require emergency retrieval by ambulance.

The review has taken account of other criteria such as a centre's physical location in relation to others and the impact of reconfiguration on other important services, such as paediatric intensive care services and heart transplant services.

For the information of hon. Members, who I think will be interested, I will briefly answer the question of who will take the final decision. Once the public consultation has been concluded, the decision on the future number and location of surgical centres in England will be made by the joint committee of primary care trusts on behalf of local NHS commissioners. There are circumstances in which the Secretary of State for Health may be called upon for a decision. However, as we are currently in the consultation period, it would be premature to consider that further at this point.

Julian Smith *rose—*

Mr Sheerman *rose—*

Mr Burns: I knew that it was probably a slight mistake to be quite so helpful. I will first take my hon. Friend's intervention and then the hon. Gentleman's.

Julian Smith: I thank the Minister for giving way yet again. Given that PCTs are in the last phase of their lives, does he agree that it is concerning that PCTs, whose eyes may not totally be on the ball, are making this critical decision?

Mr Burns: I can see where my hon. Friend is coming from and I appreciate that he may have concerns. I hope that I can give him the reassurance that he seeks. I do not think that PCTs are in a situation where they have not got their eyes completely on the ball. First, from all the evidence that I see, day in, day out, of the work of PCTs up and down the country, they continue to be highly professional and to do a first-class job. Secondly, the date when PCTs will cease to exist because of the modernisation of the NHS is not so close that they will not be able to fulfil their functions properly. I have every confidence in the JCPCT doing a first-class job of carrying out the consultation and reaching its conclusions in a highly professional and acceptable way. I hope that reassures my hon. Friend.

Mr Sheerman: I understand entirely where the Minister is coming from and that he must leave the matter to those with expertise. We had a similar situation in relation to maternity services in Huddersfield and the number of cases there had to be for people to be fully trained up. At the end of the day, it will always be a political decision. What if all the experts said that there could be only one unit—in London or somewhere else? Surely that would be politically unacceptable to the Minister and he would have to intervene.

Mr Burns: The hon. Gentleman is trying to tempt me to go places where I should not stray. I believe that the premise of his intervention is incorrect, and that the situation he describes will not happen, because the outcome will not be the recommendation of just one site in the whole of England.

I hope my remarks over the past few minutes have reassured the hon. Gentleman that in the lead-up to the consultation process, the drawing up of the final report and the options has been carried out by people who are very familiar with this specialised and sensitive area of medical care and with clinicians. They have come up with recommendations in which I have confidence, to be considered and consulted on. What we have to do now is use the consultation process so that everyone who has an interest, whether they are clinically qualified people in the NHS or members of the public, patients or Members of Parliament, can get across their views and arguments. In that way, the right decisions can be made at the end of the process, within the framework that I have outlined in the debate.

I reinforce the point that the review is being undertaken in response to the concerns of parents and professionals about the future capacity and capability of children's heart services. I can give the assurance that it is a genuinely open process and the outcomes are not predetermined. The options have been arrived at by a thorough and comprehensive process that has the support and endorsement of the professional associations and national children's charities. I thank all those involved for their time and their input into the review so far. Children deserve the best possible care, and we are determined to provide it.

Finally, I make the plea again that in this crucial matter, we have to get the finest quality care for a vulnerable group of patients—very young children. We have to ensure the best outcomes because, frankly, that is all that matters to parents when their children are suffering. I urge everyone who has an interest, a view and a contribution to make to take part in the consultation and help ensure that the right decisions are taken to achieve the aims and ambitions on which we are all united.

Question put and agreed to.

4.43 pm

House adjourned.

House of Commons

Friday 4 March 2011

The House met at half-past Nine o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

9. 34 am

Jonathan Lord (Woking) (Con): I beg to move, That the House sit in private.

Question put forthwith (Standing Order No. 163).

The House divided: Ayes 0, Noes 34.

Division No. 213] **[9.34 am**

AYES

Tellers for the Ayes:
Mr Philip Hollobone and
Mr Peter Bone

NOES

Brokenshire, James
Browne, Mr Jeremy
Burns, rh Mr Simon
Chishti, Rehman
Chope, Mr Christopher
Clark, rh Greg
Coaker, Vernon
Coffey, Dr Thérèse
Crabb, Stephen
Cunningham, Tony
Djanogly, Mr Jonathan
Duddridge, James
Dunne, Mr Philip
Fallon, Michael
Fitzpatrick, Jim
Gauke, Mr David
Gibb, Mr Nick
Harper, Mr Mark
Hendry, Charles
Hurd, Mr Nick
Irranca-Davies, Huw
Jones, Graham
Knight, rh Mr Greg
Lucas, Ian
Penning, Mike
Randall, rh Mr John
Robathan, rh Mr Andrew
Robertson, Hugh
Slaughter, Mr Andy
Smith, Miss Chloe
Smith, Julian
Vaz, Valerie
Webb, Steve
Wiggin, Bill

Tellers for the Noes:
Jonathan Lord and
Jacob Rees-Mogg

The Speaker declared that the Question was not decided because fewer than 40 Members had participated in the Division (Standing Order No. 41).

Sports Grounds Safety Authority Bill

Bill, not amended in the Public Bill Committee, considered.
Third Reading

9.48 am

Jonathan Lord (Woking) (Con): I beg to move, That the Bill be now read the Third time.

As there have been no amendments and as the Bill received good and quite thorough debate in Committee, I do not intend to speak for long.

The Bill is an important measure that allows the Football Licensing Authority to provide advice about sports ground safety to other sports and organisations. The authority was set up in the wake of the Hillsborough disaster and over subsequent years the FLA and its key personnel have gained an extremely high reputation for their expertise and experience in football ground safety. They are the authors of the "Green Guide", which has rightly been described as the leading publication in the world on sports ground safety. Indeed, there is no other organisation quite like the FLA in the world; yet despite building a world-class reputation, and with expertise that is relevant to all sports grounds, the authority remains restricted by statute to offering specific advice and guidance for domestic football stadiums only. Over the years, several sports bodies, organisations and clubs, and other countries, have approached the FLA to get the benefit of specific safety advice, but have had to be turned away.

Mr Greg Knight (East Yorkshire) (Con): If my hon. Friend's Bill becomes law and the authority takes on a wider remit, will it change its name to reflect that?

Jonathan Lord: It will indeed; it will become the Sports Grounds Safety Authority. I will mention that later.

Most important at present, the organisers of our 2012 Olympics would like to benefit from the full range of expertise and advice that the FLA has to offer.

The Bill will not change the safety regime that relates to football or, indeed, other sports grounds, and the authority's licensing functions will continue to relate only to football grounds. It will simply allow other sports and organisations to seek advice should they wish to do so, and to reflect that wider remit the Football Licensing Authority will be renamed the Sports Grounds Safety Authority.

Rehman Chishti (Gillingham and Rainham) (Con): I know of the excellent work done by the authority and its expertise, because there is an excellent football ground in my constituency at Gillingham, whose team will be promoted this year. Have the other bodies to which my hon. Friend refers been consulted to ensure that they want to continue such work?

Jonathan Lord: Yes, there has been a lot of consultation, and that was covered thoroughly in Committee. Indeed, I should like to thank colleagues for the cross-party support that the Bill has received so far.

I am particularly grateful to the hon. Member for Liverpool, Walton (Steve Rotheram) and other hon. Members from Merseyside and Sheffield for their support,

[Jonathan Lord]

given that the FLA was originally set up to try to ensure that a Hillsborough-type tragedy could never happen again at one of our football grounds. The grief that resulted from that terrible day can never be fully assuaged, and even now, after more than 21 years, we continue to salute the fortitude of those who survived and those who lost loved ones.

It is entirely fitting that other sports should henceforth be able to access the good practice and improved safety that the authority has helped to ensure for football over the past two decades.

As we prepare to welcome the nations of the world to London and our other venues for the Olympics and to host the most prestigious sporting event in the world it is surely only right that we take every measure possible to ensure the safety of our guests and spectators. This Bill will help in that endeavour, and I commend it to the House.

9.52 am

Ian Lucas (Wrexham) (Lab): I congratulate the hon. Member for Woking (Jonathan Lord) on his Bill. To legislate so early in his parliamentary career is indeed a step that he has undertaken effectively, well and eloquently. I am pleased to say that, bearing in mind of course the emphasis that he gave to safety, which must override all our approaches to such matters, the Opposition are very happy to support the Bill.

I have discussed the Bill with my hon. Friend the Member for Dudley North (Ian Austin), and I believe that he has discussed it with the hon. Gentleman. Of course, all such legislation is coloured by the dreadful events at Hillsborough. I should like to align myself with his comments about the Hillsborough families, their continued fortitude and their importance in all considerations that relate to sports grounds, as we must now say—not just football grounds—and, of course, it makes good sense to use the expertise and experience that we have acquired over the years to the benefit of sports grounds not just in the UK but anywhere.

It is important that the sporting lead that this country will show in the next year and, we hope, beyond will bring experience to bear for all those countries across the world that can learn from our strong sporting tradition. So I say well done to the hon. Gentleman for proposing the Bill and for speaking this morning. The Bill has our full support.

9.54 am

Rehman Chishti (Gillingham and Rainham) (Con): I congratulate my hon. Friend the Member for Woking (Jonathan Lord) on promoting the Bill. He has made a terrific effort in coming to Parliament with the idea to improve safety and taking it forward. I have played a lot of sport, including cricket for Kent schools and in football trials for Chatham Town and Sittingbourne amateur teams.

Sport plays a key part in our history and culture, and it absolutely right that the safety of those who go to watch it is of paramount importance. In my constituency, there is a fantastic football club, which is in division two, and about 5,000 people attend every match. The authority's first-rate safety work is of the utmost importance. It is only right and proper that other organisations and sporting groups can share its skills and expertise, especially, as my hon. Friend said, given the upcoming sporting events such as the Olympics, cricket test matches year on year and a host of others.

The key thing is people's safety. Ensuring that people can attend such events safely is of the utmost importance. This is about making sport a family event—and it is becoming that. It is a key part of our culture that families go to watch sporting events, and people want to know that, when they do so, their loved ones will be safe. Therefore, when an organisation has a proven track record of providing such safety expertise, it is completely illogical to have a statute that stops it sharing that expertise. It is right and proper to deal with the issue with the utmost importance and swiftness. On that basis, I fully support my hon. Friend and will do everything that I can to support the Bill, because it provides a good way to move forward.

9.56 am

The Minister for Sport and the Olympics (Hugh Robertson): I am extremely grateful to my hon. Friend the Member for Woking (Jonathan Lord) for his leadership and hard work in progressing the Bill. As other hon. Members have said, it is quite an achievement to get legislation on to the statute book inside one's first year in Parliament. Most of us fail to do that in any way, shape or form over a considerably longer period. It is a remarkable achievement, and I say well done to him.

May I put on record our thanks to the Opposition? The Bill has its genesis in the previous Government, who tried with private Members' Bills and a Home Office Bill to get such legislation on to the statute book. I am grateful to the Opposition for their help and support in achieving that for this Bill.

Unsurprisingly, the Government strongly support the Bill, as we want to allow the FLA to build on its important role in football ground safety, without compromising the safety function in any way.

I want to make a few quick comments about the FLA. It has played a crucial role in transforming spectator safetyat football grounds over the past 20 years. It receives grant-in-aid funding of just under £1.2 million a year—a relatively small sum for such an important task—to carry out its statutory functions, including advising on spectator and venue safety issues at football grounds in England. It is a pretty lean and efficient organisation, and it offers excellent value for money. It has nine inspectors, who are based in the regions and who work tirelessly with football clubs and local authorities. Many hon. Members on both sides of the House will have come across them in some way, shape or form. It is a world leader in sports ground safety. Indeed, it is the author of the world's leading sports safety publication, which I imagine you regularly take to bed with you,Mr Speaker, called the "Green Guide". In short, its expertise is valued and respected nationally and internationally.

Governments of all colours have accepted, however, that it is important to recognise and, vitally, to build on that success. The Bill gives us an opportunity to raise the profile of the FLA's work. Crucially, it is also gives us the opportunity to share that knowledge and experience with other sports and other nations. We are absolutely committed to maintaining the services and standards provided to football, but there is a unique opportunity to extend the FLA's reach and remit for wider benefit. Of course, the London Olympics will be upon us in 18 months' time, so it is important and timely to do this today.

I am glad that the Bill has enjoyed wide cross-party support. It has been about 10 years in the making. It is greatly to my hon. Friend's credit that he has brought it to fruition, and I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read the Third time and passed.

Estates of Deceased Persons (Forfeiture Rule and Law of Succession) Bill

Bill, not amended in the Public Bill Committee, considered.

Third Reading

10 am

Mr Greg Knight (East Yorkshire) (Con): I beg to move, That the Bill be now read the Third time.

This modest Bill seeks to amend the law of succession in England and Wales in three instances: first, where a person disclaims—that is, rejects—an inheritance, or secondly, where a person is disqualified from receiving an inheritance by virtue of the forfeiture rule. The rule is defined in section 1 of the Forfeiture Act 1982 as meaning the rule of public policy that, in certain circumstances, precludes a person who has unlawfully killed another from acquiring a benefit in consequence of the killing. Thirdly, the Bill addresses the anomaly in the present law whereby the children of a minor who is entitled to inherit an interest in the estate of an intestate person, but who dies unmarried and without entering a civil partnership before the age of 18, are unable to inherit their parent's interest in that estate.

The Bill is not expected to impose any additional burden on the Consolidated Fund, and no change in the work load of any Government Department or agency is anticipated on its implementation.

Clause 3, as I said, corrects an anomaly in the law that discriminates against certain minor children. At present, children who are alive when their grandparent dies intestate will not inherit any share of their grandparent's estate if their parent dies unmarried or uncivil-partnered before reaching the age of 18. Under my Bill, the children will be able to inherit their parent's share. However, I wish to make it clear that the clause is narrow in its impact.

The minor grandchildren who will benefit are those who are alive—that includes any child en ventre sa mère—at the death of the intestate grandparent. I do not think the Bill is in any way ambiguous, but I wanted to place it on the record that the change in the law being made by clause 3 merely corrects an anomaly. It does not rewrite the policy of the statutory trusts, which limit beneficiaries to those alive at the date of death. Therefore, a child conceived after the death has no entitlement under the intestacy rules, and my Bill does not seek to alter that position. If it were to do so, it could create a new anomaly in attempting to resolve an existing one.

I am most grateful for the support that I have received from all parts of the House, particularly the courteous and helpful assistance that I have received from the Minister and his departmental team. I would like to mention a few people to whom I am most indebted: Mark Ormerod, the chief executive of the Law Commission; Joel Wolchover, who is also with the Law Commission; Paul Hughes and his team from the Ministry of Justice; Sarah Davies in the Public Bill Office; my hon. Friend the Minister; the hon. Member for Stoke-on-Trent South (Robert Flello), who led for the Opposition thus far; the hon. Member for Hammersmith (Mr Slaughter), who is with us today in his stead; and my own researcher, Matthew Thomas. I am indebted to them all and I am grateful to the Justice Committee, which has indicated its support for the proposal.

[Mr Greg Knight]

The Bill is intended to make our law fairer by removing technicalities that run contrary to the general policy of the law of succession. It will allow direct descendants to inherit ahead of more distant relatives on intestacy. I commend the Bill to the House.

10.4 am

Mr Andy Slaughter (Hammersmith) (Lab): I congratulate the right hon. Member for East Yorkshire (Mr Knight) on his presentation of the Bill throughout. As he said, I come late to it, but having read the earlier proceedings, I know that it was extensively and fully debated on Second Reading, but that the Committee stage lasted some eight minutes. Both of those are testament to the fact that the Bill has been thoroughly and professionally presented, in a way that avoided controversy. The important point, as was said at those stages, is that 200 people a year will be affected by the changes. For those people, it will make the law fairer. As has been noted, its provisions will do so at a time of great tragedy for some people.

The merits of the Bill have been sufficiently discussed, so I shall not restate them. My colleagues in the shadow Ministry of Justice team, my hon. Friends the Members for Rhondda (Chris Bryant), who supported the Bill from the outset, and for Stoke-on-Trent South (Robert Flello), who helped ensure its smooth passage through the Second Reading and Committee stages, have reminded me of its merits, and I am in full agreement.

The Bill introduces provisions that the previous Government had intended to introduce following the 2009 Law Commission report, which highlighted the unfairness of the current law. I echo my hon. Friend the Member for Stoke-on-Trent South, who said that we were disappointed that the civil law reform Bill that we had intended to introduce was abandoned by the Government in January this year. It incorporated similar recommendations to those that we are now passing. In that sense, the Bill has done what the Government would not do, but I note that it has the Government's support, which I welcome.

In conclusion, I congratulate the right hon. Gentleman on his success with the swift passage of the Bill so far. It is a timely Bill, supported on both sides of the House, and it focuses on an issue in the law with great skill, making it a template for the successful private Member's Bill.

10.7 am

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): I, too, congratulate my right hon. Friend the Member for East Yorkshire (Mr Knight) on his success in steering his Bill to Third Reading without amendment, and clearly with considerable support from all parts of the House. I hope this success continues.

The Bill, as has been said, is a narrow but worthwhile piece of technical law reform that will make the law fairer. It overcomes the problem that, where an inheritance has been disclaimed or forfeited, people claiming through the person who disclaimed or whose inheritance was forfeited cannot inherit. The Bill allows them to do so by introducing a deemed predecease rule. It achieves a similar outcome where a person loses a benefit on intestacy by dying a single parent under the age of 18. In this case the Bill allows his or her children living, or at least conceived, at the death of the intestate to inherit the benefit that he or she, their minor parent, would have received, had he or she lived long enough.

These changes will bring the law of succession more into line with the general policy that, in the absence of a clear intention in a will, descendants should be preferred over remoter relatives. The Bill implements, with modifications, recommendations of the Law Commission. I am grateful to the commission for its work in developing the reforms and for its continuing support for the Bill.

Let me consider the Bill in a little more detail. Clause 1 applies where a person dies intestate or partially intestate. In these circumstances, after the deceased person's debts have been paid, his or her estate or, in cases of partial intestacy, such part of it as is not distributed by the will, is passed by the personal representatives to the persons entitled to inherit under the intestacy rules. These rules, which have been amended from time to time, were introduced by the Administration of Estates Act 1925. They are intended to give effect to what it is thought the deceased person would have specified in his or her will had he or she made one. This is clearly a very general aspiration, as no one can know what the deceased person would have specified had he or she made a will, but we can be reasonably confident that closer relations are generally more likely to be left something than more distant ones and that direct descendants are likely to be preferred over collateral descendants.

Therefore, the general policy on intestacy is that, once the interest of any spouse or civil partner has been satisfied, the property of the deceased should pass to closer blood relatives before more distant ones. The children of the deceased, for example, should be preferred to siblings of the deceased. This general policy is overridden if a person is convicted of the unlawful killing of another, or of aiding, abetting or counselling another to do so. In such cases, he or she is automatically disqualified from inheriting from the victim under the forfeiture rules. This is a rule of public policy that states that a person cannot inherit property from someone whom he or she has unlawfully killed. It applies in murder and manslaughter cases. However, persons convicted of lesser offences than murder may be permitted relief to inherit the victim's property by the court under the Forfeiture Act 1982.

Clause 1 is necessary because in 2000 the Court of Appeal decided in re DWS deceased that where a person forfeits an inheritance on intestacy because he or she has killed the person from whom he or she would have inherited, his or her children will also be disinherited. This is because the relevant intestacy rules provide that a grandchild can inherit from a grandparent only if his or her parent—the grandparent's child—has already died. In that case, the parent had not died but had forfeited his inheritance by murdering his parents. The decision in re DWS deceased is inconsistent with the general policy underlying the law of intestacy. It is unfair that the grandchild should be disinherited in these circumstances. The same situation arises in relation to disclaimer, which is the legal term used to describe the situation where a beneficiary under a will or intestacy rejects an inheritance. The children of a person who disclaims an inheritance on intestacy cannot inherit through him or her because he or she is still alive.

Subsections (1) and (2) of clause 1 solve these problems by introducing a deemed predeceased rule into the intestacy rules. The rule is set out in new section 46A. The effect of the new section is that where a person forfeits an inheritance because he or she is convicted of murder, for example, he or she is deemed, for the purposes of the intestacy rules only, to have died before the victim. Similarly, new section 46A deems the person who disclaims an inheritance to have died before the intestate. The legal device of deeming a person to be dead, which is set out in new section 46A, enables the children of the person who has forfeited or disclaimed the inheritance to inherit their intestate grandparent's property in accordance with the intestacy rules.

Before moving on to the remainder of clause 1, I will comment on subsections (3) and (4) of new section 46A. These make it clear that the deemed predeceased rule is not intended to prevent the offender from inheriting where the court, in the exercise of the discretion it is given by the Forfeiture Act 1982, decides that an inheritance is not to be forfeit. Section 2 of the 1982 Act, to which subsection (3) of new section 46A refers, gives the court the power to modify the effect of the forfeiture rule where the offender has not been convicted of murder, for example by allowing the killer to inherit all or part of the estate.

Mr Knight: Does the Minister agree that the reason for that discretion is to cover cases, other than murder cases, where it is felt overall that justice does not require the person to be disinherited, such as mercy killing?

Mr Djanogly: My right hon. Friend makes a fair remark that gets us back to the core of what we are debating: introducing fairness into the process.

The rule introduced by new section 46A gives way to any order made by the court under section 2 of the 1982 Act. Subsection (4) of new section 46A defines what is meant by the forfeiture rule for the purposes of the Bill. It does so by adopting the definition of the forfeiture rule in section (1) of the 1982 Act, which provides that the forfeiture rule means the rule of public policy, which in certain circumstances precludes the person who has unlawfully killed another from acquiring a benefit in consequence of the killing. For these purposes, references to a person who has unlawfully killed another include a person who has unlawfully aided, abetted, counselled or procured the death of the other person.

Subsections (3) and (4) of clause 1 make two consequential amendments to the intestacy rules. Subsection (3) amends section 47(1) of the 1925 Act, which is quite a complicated provision defining the statutory trusts for descendants on intestacy, because section 47(1) currently provides that no grandchild or more remote descendant may inherit under the statutory trusts if his or her parent is still alive when the intestate grandparent dies. This is perfectly sensible in the generality of cases, but it would frustrate the intended operation of new section 46A, which, where it applies, treats the offender as having died before the deceased so that the offender's children—the victim's grandchildren—can inherit. Clause 1(3) removes this potential inconsistency by making section 47(2) of the 1925 Act subject to new section 46A.

Clause 1(4) also amends section 47 of the 1925 Act by inserting new subsection (4A), which states that subsections (2) and (4) of section 47 of the 1925 Act are subject to new section 46A. The change is necessary because subsections (2) and (4) of section 47 cover some of the same ground as new section 46A. Section 47(2) provides that where no descendant of the intestate attains a vested interest by reaching the age of 18, or marrying or entering a civil partnership under that age, the estate is to be distributed as if the intestate had died without issue. Section 47(4) applies a similar rule to the statutory trust for siblings of the intestate or issue of such siblings, so that only those members of that class who achieve the age of 18, or marry or enter into a civil partnership under that age, will be included.

The new subsection (4A) of section 47 of the 1925 Act, inserted by clause 1(4) of the Bill, ensures that any duplication with section 47(2) and 47(4) is avoided. Clause 1 implements the recommendations of the Law Commission in its 2005 report on the forfeiture rules and the law of succession. The clause does not, however, contain exactly the same provisions as the equivalent clause in the draft Bill that was published with the Law Commission's report in 2005, and indeed replicated in large part in the draft civil law reform Bill published for pre-legislative scrutiny by the previous Government in December 2009.

The difference is that those earlier draft Bills contained specific provisions intended to ensure that in forfeiture cases the killer was prevented from gaining any benefit from the inheritance that would, under the terms of the draft Bill, pass to his or her children. Those special trust provisions attracted a good deal of criticism from witnesses to the Justice Committee and from people who replied to the Ministry of Justice's consultation on the draft civil law reform Bill, including the Bar Council and the Law Society, which represent the majority of legal practitioners likely to have to advise on that area of the law. The overall view of those two respondents was that legislation already exists to protect an infant beneficiary's inheritance in forfeiture cases if such protection were needed.

Both organisations referred to section 116 of the Senior Courts Act 1981, which provides the court with a discretion to pass over any prior claims to a grant and to appoint someone else if, by reason of any special circumstances, it appears necessary or expedient to do so. The Bar Council also mentioned section 114(2) of the 1981 Act, which provides that, wherever a minority interest arises under a will or on intestacy, a grant should be made to a trust corporation or to two individuals, unless it appears to the court to be expedient that there should be a sole personal representative. The Bar Council concluded:

> "On balance we consider the [provisions safeguarding an infant after forfeiture] to be unhelpful, and likely to lead to an increased expense in the administration of estates in circumstances which are bound to be tragic but are otherwise unpredictable."

We considered those criticisms carefully and discussed them with the Law Commission and chief chancery master Winegarten, who would, with his fellow judges in the chancery division, have to administer the provisions. We concluded that the special trust provisions would be unnecessary, problematic and expensive to operate. The existing law, which already imposes a trust for the benefit of minor children and gives the court power to supervise the administration of estates, gives effective and adequate protection.

Both the Law Commission and chief master Winegarten were content with the omission of the special trust provisions from the Bill, and we welcome my right hon. Friend's decision to remove them from it. Clause 1 will, as he said in his earlier intervention, make the law fairer, and we wish that part of the Bill very well.

I thought it might be helpful for hon. Members to have some idea of how clause 1 will work in practice. We are dealing with forfeiture on intestacy. In this particular situation, John has murdered his father Bob

[Mr Djanogly]

and is disqualified under the forfeiture rule from inheriting his estate. Bob did not leave a will, so his estate will be distributed under the intestacy rules. John is one of three children whom Bob had with his late wife, Janet. In this situation, John would have been entitled to a third share of Bob's estate, but the operation of the forfeiture rule in succession prevents him from inheriting.

John has two children, Rosie and Ben. Under the current law, Rosie and Ben cannot inherit John's share of their grandfather's estate, because although John is disqualified from inheriting under the forfeiture rule, he is alive, and the intestacy rule provides that, for a grandchild to inherit from his or her deceased grandparent, his or her parent must have pre-deceased the intestate. Clearly, in the forfeiture situation the offender is still alive when the killing takes place.

As a consequence of the interaction of the forfeiture rule and law of intestacy, John's interest will go back into the estate and pass to Bob's other blood relatives or, if there is none, to the Crown, the Duchy of Lancaster or the Duke of Cornwall as bona vacantia, under the law relating to ownerless goods. Under the proposed new rule, however, John will be deemed to have died immediately before his father, enabling his children, Rosie and Ben, to inherit his share of his father's estate. A similar outcome will be achieved when an interest on intestacy has been disclaimed or rejected.

So, if I can, Mr Speaker, I shall move on to clause 2, which amends the Wills Act 1837. The amendments make analogous provision to clause 1, which deals with intestacy in the cases where the deceased leaves a will and an inheritance is disclaimed or forfeited by the intended recipient. Clause 2 is necessary because section 33 of the 1837 Act provides that, where a child of a testator dies before the testator, leaving grandchildren who are alive at the death of the testator, the gift to the child takes effect as a gift to the grandchildren. To give effect to the testator's wishes, which is the paramount principle of the law of wills, clause 2 inserts new section 33A into the 1837 Act. In all those cases, however, if the will indicates that the testator had different intentions, it will prevail.

Having explained in some lesser or more detail clauses 1 and 2, Mr Speaker, I think it appropriate now—

Mr Speaker: Order. The House is attending very closely to the development of the Minister's thesis and is, I think, indebted to him. If, however, he were under the impression that there was an obligation upon him to treat in detail each component clause, I would want to dispel any such misapprehension. He is not obliged to do so, and if he felt inclined to move towards a conclusion to his thesis I do not think that there would be vociferous objection in the House.

Mr Djanogly: I am very pleased, Mr Speaker, to hear that the House would have no objections to my moving on. In some ways, you have pre-empted my thoughts on the matter, and to that extent I am delighted to wind up my speech. Just to say, finally, that from the Government's point of view we wish the Bill very well on its further progress.

Question put and agreed to.

Bill accordingly read the Third time and passed.

Further and Higher Education (Access) Bill

Second Reading

10.28 am

Mr Christopher Chope (Christchurch) (Con): I beg to move, That the Bill be now read a Second time.

This is a Bill to make provision to require all institutions of further and higher education in receipt of public funds to allocate places on merit, something that I understand my right hon. Friend the Minister with responsibility for universities and higher education very much supports. I hope, therefore, that the Government will support the Bill today; and if they do not I hope that the Minister for Further Education, Skills and Lifelong Learning, who I am pleased to see on the Front Bench, will spell out in detail exactly why not.

The Minister for Further Education, Skills and Lifelong Learning (Mr John Hayes): I am delighted that my hon. Friend has given way at this early stage. There is no doubt about our shared commitment to the principle that people should advance on the basis of merit. It would clearly be precipitous for me to say more about the Bill, but I give him the absolute assurance that that principle guides all that we do in the Department, and that it is a view shared by all Ministers who have responsibilities in this area.

Mr Chope: I am grateful to my hon. Friend. He is obviously demonstrating that he has an open mind on this subject, which is more than I can say for the Government in relation to another Bill that I have on the Order Paper, the Minimum Wage (Amendment) Bill. Yesterday, before he had even had a chance to the listen to the arguments for that Bill, the Leader of the House said that the Government would be against it. I welcome the fact that my hon. Friend has an open mind on this issue.

I am sure that my hon. Friend will agree that there is a lot of confusion at the moment, among universities in particular and other institutions of higher education, because the Government seem to be at sixes and sevens in developing their policy in this area. Originally, the Government said that they would publish guidance to the Office for Fair Access by the end of January to enable it to give guidance to universities by the middle of February on their admissions policies for the academic year starting in 2012. Despite full guidance having been issued in the middle of February, with the Minister for Universities and Science saying in a press statement at the time that OFFA would be able to advise universities by the end of February, as of now, in the first week of March, there is still no information from OFFA on the principles that universities should apply for next year's admissions.

Mr Greg Knight (East Yorkshire) (Con): On the subject of guidance, may I ask why my hon. Friend has, unusually, not published explanatory notes and guidance to his Bill?

Mr Chope: I am grateful to my right hon. Friend for that question. The reason is that I thought that my Bill was exemplary in putting forward an argument in simple language that everyone should be able to understand,

and that it did not need any guidance. I will come to the detail of the Bill shortly. I hope that, having read the Bill, he accepts that it is plain about what it seeks to achieve.

Mr Knight: I am grateful to my hon. Friend for giving way again. My point was that if he had issued guidance, the House might not need him to make such a long speech explaining his Bill.

Mr Chope: My right hon. Friend has just succeeded in getting his Bill through its Second Reading, Committee stage and Third Reading very fast. I hope that my Bill will make similarly rapid progress. That is why I look forward eagerly to hearing what the Government's attitude to it will be. As a general rule, I am not sure that the length of the explanatory notes, or the fact that there are explanatory notes, is a good guide to whether a Bill will make progress. If I recall correctly, the Wreck Removal Convention Bill, which was brought forward by my hon. Friend the Member for Suffolk Coastal (Dr Coffey) and which we will discuss in a fortnight, has quite extensive explanatory notes. I am not sure that that is necessarily an indication of how much time will be spent discussing it.

I return now to one of the principal reasons for my concern about the guidance. The full guidance that was issued by the Secretary of State for Business, Innovation and Skills and the Minister for Universities and Science to the director of fair access in February was based on the draft guidance that was issued on 7 December 2010. Paragraph 6.1 of the draft guidance was very clear:

> "There have been no changes in the legal constraints on your powers as Director of Fair Access. You are not empowered to interfere in institutions' decisions about the admissions of students and you may only set conditions that clearly relate to promoting participation and access."

When the final guidance was issued last month, that paragraph was omitted. I tabled a parliamentary question to the Minister for Universities and Science, asking why it had been omitted. Unfortunately, the fact that I received a holding reply rather than an immediate substantive reply makes it obvious that he had to think about why it had been omitted. Eventually, he came back with an answer pursuant to the holding answer of 16 February:

> "Paragraph 6.1 was unnecessary as it provided no new information."—[*Official Report*, 17 February 2011; Vol. 523, c. 981W.]

I am not convinced by that and remain very suspicious. Indeed, the full guidance is more extensive than the draft guidance. The full guidance is some seven and a half pages long, whereas the draft was only five and a half pages long. That clearly expressed paragraph is omitted from the final guidance.

I share the concern of many people in universities that the Government are trying to increase regulation and interference to tick boxes on social engineering and social mobility, and that that is ill conceived.

Julian Smith (Skipton and Ripon) (Con): In the guidance—I am not sure on what date the guidance I have was published—have not the Government directed OFFA that it must be "fair, transparent and evidence-based" in all that it does? Does my hon. Friend have an issue with that? It seems quite clear from the guidance that I have read.

Mr Chope: Well, we will have to see what happens. If one looks at the detailed guidance—I do not have the paragraph to which my hon. Friend is referring to hand—one can see that it is full of contradictions. The director of fair access said that, based on the guidance, he would issue advice to universities before the end of February to meet their tight time scales. The fact that he has not yet done so perhaps indicates that he is finding it a bit problematic.

This issue even appears in today's newspapers. In *The Times*, there is a letter from John Foster, a former chairman of the council at the university of Leicester, expressing strong concern about the Government

> "digging itself into an ever-deeper hole"

over universities and student fees. In particular, he states that the Government

> "now proposes to penalise some universities that wish to charge the maximum level by cutting their student numbers and diverting thus-frustrated applicants to lesser institutions."

He states:

> "Many will regard this as confirmation that the Government is viscerally opposed to students in general and to higher education in particular. Others will interpret it as a deliberate discouragement to excellence and a reward to mediocrity. I have no doubt that it will weaken the international standing and competitiveness of some of our finest universities."

Such comments are coming thick and fast from people on the front line in higher education, and they reflect the concerns of, for example, the Russell group of leading universities. It issued a press release on 10 February commenting on the Government's guidance to OFFA, which made a number of good points and emphasised that

> "admission to university is and should be based on merit, and any decisions about admissions must also respect the autonomy of institutions and maintain high academic standards."

That is four-square with my Bill, because clause 1, which is headed "Duty to allocate places on merit", states:

> "It shall be the duty of all institutions within the further or higher education sectors in receipt of public funds to consider applicants domiciled in England for any course of study below post-graduate level on the basis of merit alone unless the circumstances in section 3 apply."

Jacob Rees-Mogg (North East Somerset) (Con): Will my hon. Friend explain why that applies to people domiciled in England, but the Bill would have effect in England and Wales?

Mr Chope: Yes, I will explain that to my hon. Friend. It is because under our conventions, it is not possible to have an Act that applies exclusively to England. Acts have to extend either to England and Wales, to England, Wales and Scotland or to Northern Ireland as well. Although my Bill has to extend to England and Wales, it would actually apply only in England, because the issues that are the subject of it are reserved matters for the Welsh Assembly. I did not think it would be right for the House to interfere with the Welsh Assembly's discretion on them.

Jacob Rees-Mogg: But does that mean that a Welshman who applied to Oxford could be admitted not on merit, but an Englishman who applied would have to be admitted exclusively on merit?

Mr Chope: My hon. Friend is very good at interpreting the words in the Bill, and that is obviously a factual situation. He will know from his constituents who apply to universities outside England that they are sometimes concerned whether they will be accepted purely on merit or whether, for example, a different set of criteria applies to students from Scotland compared with those from England applying to Scottish universities. I recognise that that is a potentially contentious matter, and I thought it would be better to limit the scope of the Bill in the way that I have.

George Freeman (Mid Norfolk) (Con): As vice-chairman of the all-party group on universities, I hope to speak a little later.

Does my hon. Friend feel that a higher, philosophical question that should be uppermost in our consideration of the Bill is the importance of underpinning the freedom of our universities? It seems to me that they are crucibles of free inquiry, free speech and the freedoms that we as a society cherish. Although I recognise the intent behind his Bill, I worry about any Bill that places more burdens on our universities. Does he agree that the principle of freedom should be sacrosanct?

Mr Chope: Absolutely, and my Bill is designed to promote the freedom of universities to decide the issues in question for themselves and to restrict the Government's ability to interfere in the governance of our universities, many of which are international institutions of high repute. They are expanding and raising their standards in the global higher education context, and they are highly respected. They do not need an interfering Government, who are pledged to reduce regulation, increasing the regulatory burden on them. However, that, of course, is exactly what the Government's current policy seems to be.

Julian Smith: As I understand it, one of the biggest problems that the Government are trying to solve is that people of merit from socially disadvantaged backgrounds have not been getting to good further and higher education institutions. Does it not concern my hon. Friend that the Bill could restrict such people's ability to get into our universities?

Mr Chope: Looking at the Bill, I do not see how that can be the case. I define merit in clause 2 as

> "academic ability, potential and aptitude as assessed by the institution of further or higher education",

thereby emphasising not just academic ability as reflected in exam results but potential and aptitude, to be assessed exclusively by the institution in receipt of an application. That emphasises the importance of giving institutions the freedom to make the judgment themselves.

Ian Lucas (Wrexham) (Lab): Will the hon. Gentleman explain what would happen if, once the Bill had been passed, an institution did not admit students on the basis of merit?

Mr Chope: That institution would be in breach of a statutory duty, so all the remedies that flow from such a breach would be available to anybody who wished to challenge it. Putting a mirror to what the hon. Gentleman says, I believe that the same problem is writ large in the guidance to OFFA. It looks as though it will tell universities that are considering charging more than £6,000 a year in fees from 2012, "Unless you come forward with an access agreement that we support, you will not be able to charge those higher fees." What will happen if a university applies to charge fees above £6,000—we have read in the newspapers in recent days about some that intend to do so—and OFFA tells them that they cannot? What will the sanction be? Ultimately, the less interference there is in the process, the better.

It is a pity that it is necessary to encapsulate in a Bill such as this something that my right hon. Friend the Minister for Universities and Science has said is already as plain as a pikestaff in legislation—the idea that the Government cannot and should not interfere in universities' access arrangements. My problem, and the problem of a lot of people involved, is that although the Government say that, the whole rationale of OFFA's director seems to be to interfere rather than leave judgments to the universities themselves.

Rehman Chishti (Gillingham and Rainham) (Con): One must consider the concept of interference alongside the concept of fair access to universities for people from less privileged backgrounds, because there is a difference between the two. The Government have a responsibility to ensure that such people can go to the highest-performing universities, and if we can assist in that through legislation, it is right and proper to do so.

Mr Chope: The essence of what my hon. Friend says is in the phrase "if we can assist in that". I do not believe that the Government can assist in that. The premise of what he says is that the universities themselves do not want to facilitate wider access or ensure that the best people can gain access on merit. All the evidence that I have seen suggests that they want to achieve that aim, but they resent the fact that the Government are using OFFA to try to impose additional criteria on them. That is certainly the view of the Russell group and other universities.

Mr Hayes: My hon. Friend's perspective and the Government's are close. We have a perfectly proper desire to widen access in the way that has been described, but we differ on the admissions system. I shall speak at some length about that when I reply, but he needs to address it too.

Mr Chope: I shall certainly address that, and I look forward to responding at the end of the debate to the Minister's comments.

Perhaps one way to address the issue is to look at what the Russell group says. It states:

> "We share the Government's commitment that every student with the qualifications, potential and determination whatever their background has the opportunity to gain a place at a leading university",

but emphasises that

> "the most important reason why too few poorer students even apply to leading universities is that they are not achieving the required grades at school."

If the main reason why students do not apply is that they do not achieve the required grades, why do the Government, who are responsible for almost all primary and secondary education in the country, not concentrate on that problem, rather than interfering in an area of education in which they have not hitherto interfered? That is a typical approach of the Government: rather than focus on their failure to undertake their responsibilities, they try to introduce more regulation for things that run perfectly adequately. That is the difficulty.

Rehman Chishti: I was here for the universities debate when the Government made it quite clear that through the pupil premium and other support, they will help to ensure that students from less privileged backgrounds get access to universities and improve their grades. I agree with my hon. Friend that we must ensure that those from less privileged backgrounds are given the opportunity and support they need to ensure that they get those results. I was the first in my family to go to university and I went on to become a lawyer and an MP. People like me need such help, but the Government have already committed in the universities package, which includes the pupil premium and other support, to support those from less privileged backgrounds.

Mr Chope: It is one thing to make a commitment and another to deliver on it. I hope the Government can deliver on that one, but my response to my hon. Friend is that if they concentrate on delivering on it through the pupil premium and other measures, they will not need to interfere in the right of the universities at the other end of the system to choose people on merit.

My point remains: there is something desperately wrong with how many our schools operate. They do not allow the full potential of their pupils to be realised in the form of exam results, which is one barrier to access.

The Russell group states:

> "The main problem is that students who come from low-income backgrounds and/or who have attended comprehensive schools are much less likely to achieve the highest grades than those who are from more advantaged backgrounds and who have been to independent or grammar schools",

and points out that

> "this gap in achievement according to socio-economic background is getting wider. Too many students don't choose the subjects at A-level which will give them the best chance of winning a place on the competitive courses at leading universities."

That is why everyone in the House, including the Minister and the shadow Minister, will be pleased with the Russell group's informed choices initiative. It tries to ensure that students choose the right subjects at A-level for the courses they are thinking of taking at university.

My daughter is studying veterinary medicine at university. Had she not discussed her preferences with her teachers before choosing her GCSEs, she might not have made the right subject choices. She made those choices on the basis of information provided to her, but quite often people who aspire to take veterinary or medical courses at university do not take the hard subjects in their preceding exams to enable them to do so.

Mr Hayes: My hon. Friend once again hits on a key reason for the failure of many students to achieve their potential—the lack of advice and guidance. I hope he will take this opportunity to welcome the Government's commitment to an all-age career service to deal with some of the disparities he describes.

Mr Chope: Absolutely—I am not pouring cold water on that initiative. The Government have demonstrated over the past several months that they share many of our concerns about the failure of the education system to deliver.

The statistics show a desperately serious situation. In the last 15 years, the proportion of A-level students at comprehensive schools who achieve three A grades or more has increased from 4.2% to 8.2%, while the proportion at independent schools has increased from 15.1% to 32.3%. That is a commentary on the previous Administration's lack of achievement. Anything that can be done to put that right would be a good thing.

Ian Lucas: I am listening carefully to the hon. Gentleman, but the statistics that he has presented are grossly misleading, because they take no account whatever of the restrictions on admission to many fee-paying schools, which do not apply to schools in the comprehensive sector. He should at least recognise that when he presents such figures.

Mr Chope: They are not my figures—they are from the Department for Education, but they speak for themselves. However, if the hon. Gentleman wants more figures to confirm what a miserable failure the previous Government were in that respect, I should tell him that 29.9% of all students who got three A or A* grades at A-level in 2009-10 were at comprehensive schools, which was 8.2% of the total taking A-levels at comprehensives, but that those comprehensives accounted for 46.7% of all A-level students. That shows that the comprehensive schools just did not deliver on the potential of the students whom they taught.

Mr Hayes: I recognise, and indeed acknowledge, that prior attainment, as well as advice and guidance, is a key factor in subsequent achievement. My hon. Friend might remind the shadow Minister that, as C. S. Lewis said:

> "Failures are finger posts on the road to achievement."

It is a long road for the Opposition and many finger posts.

Mr Chope: My hon. Friend the Minister is great with quotes, and I notice that the shadow Minister does not wish to respond to that one yet—he will have the chance to do so later.

Let us not think that the universities are doing nothing. They are trying to encourage people to apply and are engaging in outreach initiatives. The Russell group alone is investing £75 million a year in initiatives designed to help the least advantaged students to win places at university, which is quite a lot of money.

George Freeman: I am grateful to my hon. Friend for that information. Does not the fact that the universities, whose only interest is in academic excellence, find it necessary to make such investment, tell us everything we need to know about the lack of need to regulate them further?

Mr Chope: My hon. Friend and I are on the same side. The universities are taking such steps voluntarily, so we do not need more regulation.

George Freeman: I am sorry; I did not make myself clear. I meant regulating universities further through my hon. Friend's Bill, which would further complicate the matter and require them to be guided by the words in the Bill. If it became law, it would place on them a duty to choose only on the basis of merit, as he has defined it. Can we not just trust them to work with the Government? Does not the fact that they already invest such sums in outreach give us all the reassurance we need that they believe that it is important and that therefore it must be?

Mr Chope: My hon. Friend is trying to attack my Bill as a regulatory measure, when in fact it is a deregulatory measure. It aims to prevent the burden that the Government are trying to place on universities in a less than transparent way—using the Office for Fair Access—and which is increasing regulation on universities. That would be prevented by the Bill, because it would be at odds with the duty to allocate places on merit other than in accordance with the exemptions set out in clause 3. He stands four-square with me in saying that we want to reduce the burden on these universities. However, at the moment the burden is being increased by the Government under their measures to try to bring about social engineering in a rather partisan way.

Julian Smith: Is the key fact not that, whether it was the fault of universities or the previous Government, there has been a failure to get people from disadvantaged backgrounds into our better universities? A piece of research by Martin Harris concluded that

> "while there have been substantial increases in participation among the least advantaged 40 per cent of young people across higher education overall compared to the mid-1990s, the participation rate among the same group of young people at the top third of selective universities has remained almost flat over the same period."

Is it not morally right that the Government are trying to address this issue?

Mr Chope: There might be an issue there, but Sir Martin Harris has a vested interest; he is the director of the Office for Fair Access and obviously has to keep himself in a job. He is saying that there has been an increase in admissions to universities from people from poorer backgrounds, but that that has not yet percolated through to the top universities. He is therefore seeking a mandate to have more powers to interfere in those top universities. I am trying to put the point of view of the Russell group, which is a representative sample of those top universities. It points out that it has made enormous progress without that sort of interference. Indeed, it thinks that the Government's ideas—and, by implication, Sir Martin Harris's ideas—on this will be dangerous and counter-productive by being too prescriptive.

The Russell group has commented on the question of how we are going to measure success in improving access. It is the same with all these principles: if we cannot measure it, we cannot control it. It says:

> "Any measurement of universities' progress in improving access must be undertaken with great care. The investment of Russell Group institutions into outreach activities benefits the sector as a whole, with many students being inspired to study at other institutions as a result of our widely targeted work with potential candidates of many ages and backgrounds. We believe our universities have a role in helping all students to fulfil their potential, not simply widening access to our own institutions."

That demonstrates how difficult it is to judge an individual university's outreach programme solely on the basis of how many students it has brought into its own university as a result of that outreach programme, because that programme might have enabled students from poorer backgrounds to apply to, be accepted by and go to other universities. Obviously, the next question that arises is, how will we possibly measure that? It would be very complicated. That takes me back to the point that we do not need to have all this regulation. Why can we not trust these universities to carry on doing as they have been doing up until now.

Rehman Chishti: My hon. Friend referred to the Russell group's saying that £70 million will go towards ensuring that people from less privileged backgrounds can go to university, but if I remember correctly—from the universities debate—the Government were looking at providing £150 million for widening access. Surely it has to be a good thing that more money is made available to allow more people from less privileged backgrounds to have hope and aspiration.

Mr Chope: Absolutely, but the £150 million is going towards scholarship funds. At the moment, the Russell group, which represents only about 20 universities, is already investing more than £75 million a year. Pro rata, it is already investing more than the Government are promising to invest in the future, yet the Government are saying that if a university wants to raise its fees to anything beyond £6,000, the Government will, through the Office for Fair Access, interfere in its ability to do so and exercise their own judgment on the level of the fees because they are concerned about improving access. I am saying that these universities should be trusted. Many of them are international centres of excellence and should be trusted to make their own judgments. There is no reason to criticise anything that the Russell group universities have achieved, or indeed what some other universities have achieved.

I suspect that at the heart of all this is a feeling on the part of some elements of the coalition Government—I will not spell out, following the Barnsley by-election, which elements I have in mind. *[Interruption.]* As the hon. Member for Wrexham (Ian Lucas) says, it is the part of the coalition not represented in the House today.

Ian Lucas (Wrexham) (Lab): They came sixth.

Mr Chope: The hon. Gentleman obviously wants to put it on the record that they came sixth in the Barnsley by-election.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I think we should get back to the subject, rather than discus the Barnsley results.

Mr Chope: Certainly, Mr Deputy Speaker. It would ill-behove either you or me to bask in any glory as a result of that by-election result. It is a pity, however, that there is no Liberal Democrat representative in today's debate to discuss these very important issues.

I turn to the measures being taken already to improve access. There is going to be a measurement system under the proposals for assessing the ability or willingness of OFFA to allow universities to charge higher fees. The system for measuring the success in improving access needs to include—it does not at the moment—access to other institutions as a result of the work carried out by a particular university. The Russell group welcomed

> "the Government's guidance that institutions should set their own targets and measures of progress",

but was concerned that

> "existing...widening participation benchmarks are unsuitable as targets against which institutions' progress can be meaningfully measured."

It quotes Lord Browne—the guru on this issue, who produced his report last year—who found that

> "the benchmarks do not provide a sophisticated enough picture of the student population actually qualified to meet the entry requirements of many courses. For example, they take no account of the fact that someone with 4 A*s at A-level might have a high tariff score but would not have a strong chance of being accepted on a Medicine course if these A-levels are in the wrong subjects...Moreover, financial penalties for not meeting these targets would be unfair and unhelpful to our aim of investing in ways to help poorer students win a place at our universities."

Mr Knight: We are having a very interesting debate, but underlying it is the question of whether we should support the Bill. I have to say to my hon. Friend, however, that the more I look at his Bill, the less I think of it. I do not see how it can achieve anything, because clause 3 on exemptions blows a hole in clause 1, under which a decision has to be made on the basis of merit alone. Clause 3 states that a course can be advertised where there are

> "criteria additional to or in substitution for the criterion of merit".

To use an extreme example, if this Bill was the only arbiter that universities have to follow, they could advertise a course for aspiring gentlefolk where the only requirement is that someone can pay the high fees.

Mr Chope: Exactly, but my right hon. Friend fails to appreciate the transparency of the measure. If an institution of higher or further education is going to give places on a particular course on criteria other than merit, it should make that clear when people are considering applying to that university. For example, if it offers a sports science course, and welcomes in particular people who are proficient at playing soccer, it should say so in the application so that people who cannot kick a ball at all will not apply, or understand that if they do so it is unlikely that they will be accepted. Clause 3 tries to make sure that where universities give places on criteria other than academic merit those criteria are spelt out openly and transparently. I am surprised that my right hon. Friend is concerned about that. Perhaps he will accept that his interpretation of the clause is incorrect.

Ian Lucas: I am grateful to the hon. Gentleman for giving way—he has been generous in accepting interventions. Does he believe that the current system of university admissions is transparent?

Mr Chope: I believe that it is pretty transparent, although some academic work has been done that shows that, inevitably, subjectivity is involved in assessing people's suitability for going to university. There is no way in which someone who has been refused a place at a university can find out the specific reasons for that decision, although it is normally possible for them to obtain informal feedback from the university through their school or college.

I am not suggesting that the current system is completely transparent, which is why it would be better for it to be plain as a pikestaff that admissions should be made on the basis of merit. There is a feeling, borne out in research for Oxford university, that some admissions tutors for that university are inclined to choose pupils who do not come from independent schools, because they believe that independent school pupils have an unfair advantage and they wish to discount that advantage. They do so on the basis of subjective judgments, which very much runs against the principle of transparency. I hope that the Minister will deal with that point. A problem with the speech by my right hon. Friend the Minister for Universities and Science on 17 February was that he misquoted some of the evidence from the Ogg, Zimdars and Heath report for Oxford. He used that evidence to suggest that there was a bias in favour of pupils from private schools, when a proper reading shows quite the reverse, with a bias against pupils from private schools.

With all these issues, the problems that concern me are problems of definition. If we are going to try to categorise schools, whether they are independent or private on the one hand, or state schools on the other, how do we categorise those pupils who move from the independent sector into the state sector in the last two years of their course, or perhaps leave an independent school and go to a tertiary college to resit their exams and apply to university? There are quite a lot of independent schools with pupils who came originally from the state sector, often with bursaries. Will those pupils be penalised when they apply to university—or do the universities accept those pupils?—because their last place of education was an independent school, even though they started off in the most difficult circumstances? Many pupils at independent schools are in receipt of education maintenance allowance, which may surprise the hon. Member for Wrexham (Ian Lucas), and it may cause some people to say that that is another reason why EMA is ill-targeted. However, there are many pupils at independent schools whose backgrounds would be regarded as poor or disadvantaged in the context of the higher education access arrangements that the Government are discussing.

Mr Knight: I am afraid that my hon. Friend has not convinced me. It is quite clear that clause 3 is so wide as to blow a hole in clause 1. In response to my earlier intervention, he appears to accept that it would be quite possible, if the Bill were the only arbiter, for a university to decide that it wanted to take unintelligent people with money. It could advertise a course for aspiring gentlefolk when, to use a colloquialism, all that it is interested in is money from rich thickos.

Mr Chope: I do not know whether my right hon. Friend has read today's press reports about the London School of Economics and one of its erstwhile postgraduate

[Mr Chope]

students from Libya. I am not sure whether his remarks would apply to that particular happening. If a university chooses to have a closed scholarship arrangement, as some do, there is no reason why that should not continue under the Bill, provided that it is set out transparently. Ultimately—this is why the desire for ever more Government regulation is ill conceived—why can we not trust those universities to do what is best for them in the great marketplace? No self-respecting institution wants a reputation, to use my right hon. Friend's example, for taking on a lot of thickos who will not perform at university, because that will push the university down the league tables, and will affect its ability to attract research grants and the brightest and the best. The Government cannot second-guess all those decisions—they have to be made by universities or other higher education institutions themselves.

George Freeman: I am grateful to my hon. Friend for giving way yet again. Everyone in the House will agree that the educating of thickos, rich or otherwise, is not the role of our universities. However, does he believe that an important role for universities is to develop leadership? In that education sector, are we not sometimes in danger of over-emphasising purely academic criteria? Would we want clause 3 to be used by universities to encourage a wider definition of leadership in society? That is something that our universities have always done, and it is not purely academic.

Mr Chope: My hon. Friend makes a good point. My view is that we should allow universities to do that if they want to, and clause 3 would enable them to do so, and would give them that freedom. The debate centres on the overt desire by the coalition Government for more bright students from disadvantaged backgrounds to go to the top universities. It is likely, however, that the consequences of the access arrangements that they are seeking to impose will be counter-productive and certainly discriminatory.

Someone said to me the other day that merit is almost the last taboo in terms of discrimination; that we have outlawed discrimination on the grounds of race, sex, gender and all the rest, but we still allow discrimination on the ground of merit, and the Government are really keen to do away with discrimination on the ground of merit. The Bill is designed to ensure that that does not happen, and that the Government's arrangements for access to further and higher education will not be allowed to be at the expense of merit.

Rehman Chishti: My hon. Friend talks about various forms of discrimination, but the recent education legislation tackled another form of discrimination. For a long time there was discrimination against part-time students, who were unable to get funding on the same scale as full-time students, and who often tended to be mature students. On that basis, it was absolutely right and proper for the Government to put that package through, so that mature students could have their aspirations fulfilled. The Office for Fair Access guidelines mention

> "the scale and nature of outreach activity to be undertaken to attract mature students—including work with local communities".

That must be absolutely right and proper, and this Government have already committed to it.

Mr Chope: My hon. Friend implies that that is at odds with my Bill; I am not saying that it is.

Rehman Chishti: If my hon. Friend is saying that he does not agree with the Government's regulation and the OFFA guidelines, some of which I have just read out, and if his Bill goes against giving OFFA a number of different guidelines and the option to make sure that more mature students can go to university, then of course it is at odds with his Bill.

Mr Chope: If those students are going to go to university on the basis of something other than merit, or on some basis other than the exemptions that are set out in clause 3, but my understanding is that the Government want to open up opportunities for part-time students but not on the basis of anything other than merit. If I am wrong about that, I am sure that my hon. Friend the Minister will correct me.

I have been speaking for longer than I intended, so I shall briefly outline how I think the problem can be dealt with more effectively. Hon. Members will be aware of the Social Mobility Foundation. Sir Terry Leahy, the outgoing chief executive of Tesco, has now joined the board as a trustee. My right hon. Friend the Prime Minister has said:

> "The Social Mobility Foundation provides an exemplary service to help academically-talented disadvantaged students achieve their potential. I and many other Cabinet Ministers have been delighted to host SMF students"

and he encourages others so to do. It seems to me that that is the way forward. If we want to encourage the brightest and the best to be able to get access to our universities, we can give support to worthy organisations such as the Social Mobility Foundation.

What is interesting is that even the Social Mobility Foundation has to set eligibility criteria for those who apply to it for assistance. To join the aspiring professionals programme, students have to be in year 12, in receipt of education maintenance allowance or free school meals, and, significantly, in possession of at least five A grades in five different subjects at GCSE and predicted to obtain at least an A grade and two B grades at A-level. Even the Social Mobility Foundation is accepting that academic performance has to play a part in deciding whether people are appropriate to be taken on for help from that foundation.

Julian Smith: My hon. Friend must know that leaving this issue to institutions such as the Social Mobility Foundation will not have anywhere near the same effect as the Government taking a stand and saying that we will select young people on merit, and we must get more people of merit from socially disadvantaged backgrounds. He must know that Government involvement is the only way to deal with that.

Mr Chope: I am afraid that I am completely at odds with my hon. Friend, because I think that getting the Government involved will be—even more so than it is already—a disastrous policy, and it would be much better to improve the quality of education in our mainstream schools.

I want to quote a final statistic. In 2009, only 232—4.1%—of students in maintained mainstream schools who are known to be eligible for free school meals achieved three or more A grades at A-level. It is a matter not of trying to get more of those students into higher education but of trying to increase that cohort of students, from 4.1% to maybe five times as many. That is the problem. I am not sure that anything that the Government are proposing to do in interfering in this area will help that problem; instead, it will exacerbate it.

There is a mass of literature on all these matters. I was looking—some hon. Members may say, surprisingly—at a couple of articles in *The Guardian*. One was headed, "Grammar schools do not improve social mobility for working-class. Study shows little difference in work prospects for poorer children who attend grammar schools and comprehensives." Earlier this week, on 1 March, there was an interesting article by Mr Owen Jones, headed, "Social mobility is a dead end. Our society relies on working-class jobs—dangling a narrow ladder for moving up is a diversion from tackling inequality." I do not know whether those are articles on which my hon. Friend the Minister intends to comment in his response.

Mr Hayes: I had not intended, given the breadth of the material that I shall have to address, to deal with that matter particularly, but I will do so in the form of an intervention, and I am grateful to my hon. Friend for giving way to allow me to do so. Grammar schools pertain in my Lincoln constituency. I went to a grammar school myself and I hope that my young sons, if they are bright enough, will go to one too. I think that explains my views on grammar schools pretty clearly.

Mr Chope: Good. I am glad that I have given my hon. Friend the opportunity to put that firmly on the record.

I was looking at the access agreement 2010-11 for the university of Exeter. The university has been criticised in some quarters for announcing, this week, that it is going to charge £9,000 fees—subject, of course, to being able to get approval for that. Yet that university has achieved an enormous amount in recent years in increasing access to those who are from less-favoured backgrounds. I cannot understand why the Government wish to interfere in the right of that university to charge whatever level of fees it wishes up to the maximum, when it already has a very good record of increasing access to the university. There has been a significant increase in the number of students from state schools and from lower socio-economic groups.

The problem, I think, is that the Government realised that it would not look good if they allowed some universities to have no limit on the fees that they charged, so they introduced a ceiling of £9,000. They then allowed the loan system backing that scheme to be fixed in such a way that it is actually adding significantly to the potential burden on the Exchequer. The Minister for Universities and Science has said that if universities charge more than £7,500, that will add to the costs to the Exchequer, given the generous loan scheme and the fact that the Government expect a third of loan applicants never to pay anything back.

As the Treasury has looked at the figures, the Department for Business, Innovation and Skills has realised that it has to try to put the brakes on allowing universities to increase their fees to £9,000. It is using the threat of access restrictions and sanctions against those universities to try to get them into line. However, courageous universities, such as those in the Russell group and the university of Exeter, are saying that their first duty is to maintain academic standards in their universities and that if students pay higher fees, it is because they want more investment in the services that they receive. Those universities are not prepared to allow the Government to threaten them with sanctions if they exercise their freedom to take such decisions. My Bill would prevent the Government from interfering in universities any more and effectively forcing them to put quotas on the numbers from different backgrounds who should be admitted. The Minister has told the House that quotas are illegal, but ways short of express quotas are being used to threaten and cajole universities, and the Bill would prevent that from happening.

11.32 am

Jacob Rees-Mogg (North East Somerset) (Con): I am an enormous admirer of my hon. Friend the Member for Christchurch (Mr Chope), who usually speaks the greatest sense in the House. I often find myself in agreement with him but, on this occasion, I am sorry to say that I do not.

Let me start at the beginning on access as it has been for many years. Let us think of a young man: the son of a butcher in a country during a time of civil war who goes to his local school, wins a scholarship to Oxford, goes to Magdalen college, gets to the top of his profession, and sets up his own college—now arguably the greatest Oxford college. That man was Cardinal Wolsey and the civil war was the wars of the roses. He went to Magdalen college in the 1480s and then set up Cardinal college, which was later turned into Christ Church by an envious and jealous King.

From the 15th century onwards, although I am sure that we could go back even further, it has been possible for people of great ability to get to our country's highest and grandest universities, and to have the basis of education that allows them to go on to achieve great things. Cardinal Wolsey could have become Archbishop of Canterbury or Pope, but other than that, he had every great job that was open to him. He was the King's First Minister, the Lord High Chancellor, a cardinal and the Archbishop of York. We see throughout our history that there has been social mobility through education and that universities have been free in the way in which they admit people for most of that time.

As an aside, I mention the admissions process of my own college—Trinity college, Oxford. It kindly admitted me, although it knows better than I do whether that was on merit or for any other reason. In the 18th century, Trinity managed to admit our greatest Prime Minister and our worst. It admitted Pitt the Elder, who founded a great empire and won all those wars—mainly against the French, actually—in Canada and India, and it later admitted Lord North, so admissions policies do not necessarily work. We might wish that Lord North had not been admitted to Trinity and that we still had the American empire.

Mr Hayes: While my hon. Friend was describing universities in an earlier age, I was reminded of "The Concept of a University" by Kenneth Minogue, with which he might be familiar. The book states:

> "the prestige of universities in the Middle Ages was enormous, and rested on an admiration for education."

[Mr Hayes]

The book states that that admiration, in our present age of universal literacy, is difficult to recapture. It says that mediaeval men seem to have thought of universities in a way an impoverished craftsman regards a brilliant child for whose education he is making sacrifices.

Jacob Rees-Mogg: The Minister makes an absolutely brilliant point. The prestige of universities ought to be great. In fact, it should be very difficult to get into the best universities because they provide such opportunities and a career path for the ablest in our society.

Let me move on to more modern times and come to the great lady—perhaps the greatest peacetime leader of this country in the past 100 years or more—Margaret Thatcher. She was not the daughter of a butcher—unlike Cardinal Wolsey, the son of a butcher—but the daughter of a shopkeeper who was born and who lived over a shop. She got a scholarship to Oxford and transformed this country. It was not only in the 15th and 18th centuries that university admissions policies allowed great people to get to university, to be enormously successful and to transform their nation's success as a result. That is a thoroughly good and worthwhile thing, and it was all done without the Bill promoted by my hon. Friend the Member for Christchurch.

Philip Davies (Shipley) (Con): I have agreed with everything that my hon. Friend has said thus far, but does he not agree that all that happened without the Bill because the Governments at those times did not try to stop universities from recruiting people on merit?

Jacob Rees-Mogg: It is very depressing when we get to a state at which there is a bit of legislation that we do not like, about which we have doubts and that we think ought to be changed, and yet instead of arguing to get rid of that legislation we say that the clever thing to do is to have yet more legislation. We go on and on legislating so that the British people are weighed down with a mass of rules, regulations and complications that mean that they do not know where they stand. If the intention of my hon. Friend the Member for Christchurch is that we should scrap the controls in place, he should argue for that and his Bill should be a repeal Bill, which might then be supported by other hon. Members.

Mr Chope: If the Bill was amended in Committee to clarify that it was effectively a repeal Bill, would it then command my hon. Friend's support?

Jacob Rees-Mogg: I think the Bill should have said that in the first place. I am even more suspicious of the new Labour approach of a Bill that says one thing initially and then does something completely different.

Ian Lucas: The Liberal Democrat approach.

Jacob Rees-Mogg: I stand corrected, but I am not quite sure that I can go along with that monstrous slur on our coalition partners.

We must have Bills that do what they say, not ones that set off in one direction, hare off in another in Committee, and then say something that was never intended or given a Second Reading by the House.

Let us consider the question of merit. My right hon. Friend for a Yorkshire constituency—I forget precisely which—talked about how clauses 1 and 3 operate.

Philip Davies: It was my right hon. Friend the Member for East Yorkshire (Mr Knight).

Jacob Rees-Mogg: I thank my hon. Friend. Yorkshire is a big county. It is almost as good a county as Somerset, but Somerset is particularly favoured by God.

If we are considering the basis of merit alone, how do we define merit? The Bill defines it as

"academic ability, potential and aptitude",

but that is desperately woolly. Ability can be measured, but do we think that all exams correctly measure a student's further success? I knew, as I completed my physics O-level, that I knew no more physics than that and that that was the limit of my ability in physics. I actually got an A grade in my physics O-level, of which I am rather proud, but if I had gone on to do physics at A-level, I would have sunk like a stone. I am sure that that is true of people doing other examinations. They might apply to university, but the university has to determine whether he or she has taken the subject to the limit of their ability and whether they would therefore find that they could go no further.

Mr Hayes: Is there not, though, some virtue in those constraints on understanding knowledge? T.S. Eliot said:

"If you aren't in over your head, how do you know how tall you are?"

At least my hon. Friend knows exactly how tall he is, with regard to physics.

Jacob Rees-Mogg: I absolutely accept what the Minister says in his helpful intervention. I know how tall I am, or was, in terms of physics. Just as many people shrink as they get older, I feel that as I get older I begin to shrink in my ability to do physics, and cannot remember much of it. Universities need to take in people who can go further, and do better than the ability yet measured. To consider the Minister's comparison and talk about how high people grow, we do not necessarily know how high a 16-year-old will be at 18. One has to make a judgment on it, and that judgment becomes subjective—it has to be, by its very nature.

Is it not always dangerous to put legislative constraints on subjective judgments? How does one then take them through the courts? How do they become justiciable? It is simply replacing one person's judgment with another's, and we cannot tell who was right until after the fact. I therefore have my doubts about the early definition of merit. Potential is even more subjective. We may think that the person whose height we are considering will grow to be a giant; we may be wrong. We cannot guess the qualities that we are talking about from an interview or a series of examinations.

We can, however, get a broad feeling or understanding, and a tutor can understand whether a person is someone whom they can teach. That is obviously important, because some dons at Oxford—I tend to stick to Oxford because I know it, but I am not speaking to the exclusion of all other universities—want to be able to get on with the people whom they are to teach. If a person comes for an interview and the tutor dislikes them at first sight, they may find that teaching them for three years would be neither to the pupil's nor the tutor's benefit, because it will be a constant battle of wills, with hostility and difficulty, without the tutor being able to express their knowledge to the pupil, or the pupil being able to learn from the tutor. The question of potential is even more deeply subjective than that of ability, and aptitude is, in a sense, the same.

Ian Lucas: The hon. Gentleman is making an interesting speech, and I speak as an Oxford graduate, so my experience is, in that respect, somewhat similar to his. He has touched on an interesting issue as far as the attitude of the tutor, and his resistance to someone different, is concerned. Does that not support a transparent admissions policy, in which the student, and the institution presenting the student to the university, are aware, before the student applies, of the criteria that will be used?

Jacob Rees-Mogg: I thank the hon. Gentleman for his helpful intervention. That is absolutely right. Transparency is, in a sense, everything. As long as people know where they stand, they will be able to see what they ought to do. It is a tremendously beneficial reform for the Russell group to have said which subjects it views as being proper subjects, because now pupils from across the country can say, "If I do history, classics and double maths, I have a really good chance of getting in, if I do well; but if I do knitting and photography, I won't have a very good chance of getting into the top-rate universities. My chances and opportunities will be limited." It is absolutely right to let people know at an early stage the way that they ought to be going. Understanding the interview process when one applies to a university is also extremely helpful. If one is going from a public school to Oxford, one will be very well trained in what to expect in the interview, and that should be made as widely available as possible to people from other schools and backgrounds. I agree with the hon. Gentleman on his point on transparency.

We have, I think, established that in terms of merit, the Bill has a lot of waffle in it. What it says is fundamentally subjective, cannot work in practice, and, if taken to the courts, would be impossible to adjudicate on. It is hard to see where the Bill is going, in that respect. The exemptions are glorious, because they are so splendidly old-fashioned. By and large, I rather like things being old-fashioned, and I do not normally use it as a term of disapprobation, but in this case it means that one could reintroduce the closed scholarships. At New college, Oxford, which has a close connection with Winchester, places could be reserved for Wykehamists. People may think that that is all fine and dandy, but as an Etonian, I would feel that I was being prejudiced against, and that it was wrong to give places to Wykehamists rather than Etonians—or, more seriously, to deny them to people from all over the country. Allowing the reintroduction of a system of closed scholarships cannot be what my hon. Friend the Member for Christchurch is really trying to do. That cannot be an advance for universities, and it does not make this a sensible Bill to pass.

Mr Chope: The Bill applies only to places that are funded by the taxpayer. Does my hon. Friend not accept that if a university wishes to give closed scholarships, at its discretion, to students who will not be funded by the taxpayer, it should have the freedom so to do?

Jacob Rees-Mogg: We should always deal in the realms of reality, and not assume that people would be so barkingly eccentric as to run off down that route. Universities want to be places of great academic excellence, and they want to be able to have a system that admits people fairly and freely. We are sometimes too suspicious of people's motives. I accept that the Bill applies to publicly funded universities, but most universities receive public funding of one kind or another, if only via their charitable status.

That helpfully moves me on to another point—the key point of money. Money is always relevant to our discussions, but it is one of the most dangerous things with which Governments have to deal. We give money to an independent institution—great universities—and say, "Now we've given you some money, we must decide how you spend it," and then, "Now we've decided how you should spend it, we must take a little more control"—and it becomes more and more control, until independent bodies become agents of the state. The Bill continues that process. Instead of our saying that the money will now come from students, and universities will become more independent of the state, the Bill is an effort to claw back state control. We see in the charitable and university sectors that when Governments spend money, they always want their pound of flesh, and the pound of flesh is interfering in the day-to-day running of organisations, denying them their freedoms. In some cases, that does not really matter, but it is crucial that academic freedom, as a fundamental good, be maintained as an absolute priority.

Let me carry on dealing with the details of the Bill. I raised this matter in an intervention: I am very much against passing Bills that are slightly absurd—I apologise to my hon. Friend the Member for Christchurch for being so harsh as to use that term. To have a Bill that applies to England and Wales only, and also only to people domiciled in England, does not seem to work. Surely, the universities in England should admit on the same basis anyone who comes along. To say that they will admit English people on merit but that they can admit the Scots, Irish and Welsh and people from the Commonwealth or European Union not according to merit does not make any sense. If we are to pass laws of this kind, there must be the same principle of application and entry for everyone who is eligible to enter subject to public funding. One might say that it is a good idea to take some overseas students because they can pay a vast fee that will subsidise some of the rest of the university's operations, although after the Gaddafi affair one might not think that quite such a clever idea, but one really does not want to say that people from Scotland can be taken in on a completely different basis from the people of England.

I am also concerned about the term "domiciled in England", because I am not quite sure, legally, where it comes from. I do not know whether my hon. Friend the Member for Christchurch will explain it. I understand that with tax laws for which domicile is relevant, it is United Kingdom domicile that matters, although that may change with the Scotland Bill. I am not convinced that there is an agreed English domicile classification.

[Jacob Rees-Mogg]

I want to elaborate a little more on academic freedoms. What is it that allows thought to develop? What allows us not just to produce people who can go into the workplace, fill jobs and earn a living, but allows that great development of thought that we have had in this country for hundreds of years? Whom should we go back to as our earliest notable philosopher? One could argue for Shakespeare or go back even further and argue for Chaucer, although one might think of them more as literary figures. One could start with Hobbs and Locke and the development of thought in which this country has been so powerfully involved. When talking about science, one could mention Boyle and Newton, both of whom had strong associations with our great universities. How did they achieve that? Yes, they sometimes got Government money: Chaucer was sponsored by the King and so was Shakespeare. Newton was the Master of the Mint and got an income from his service that allowed him to afford his academic studies. So, there is a connection between the state and academic excellence, but it is not a control: it is not the state saying, "You may do only these things or you must educate only these people."

We must be very wary of putting constraints on our institutions. I hope that the Minister will consider this point in relation to the current state of legislation rather than just in regard to this Bill. Our institutions need to be free to take in the people whom they think best even though we might not agree that they are the best—indeed, they might seem to us not quite up to the mark. Our institutions might decide to take a bet on someone who has no academic qualifications, because they have been failed by their secondary school—such failure has been a problem—but who appears absolutely genius in quality. They might decide to take people who have that spark of intelligence and thoughtfulness that makes them interesting and exciting and means they can push on the great development of thought.

Many areas of university life are not covered by the academic subjects that are done up until A-level. There are developments that people need to take with a philosophy, politics and economics qualification.

Mr Hayes: I am grateful to my hon. Friend for giving way again. Is not that the paradox that lies at the heart of the paradigm set out by my hon. Friend the Member for Christchurch? He argues that universities should be free to select on the basis of merit but not free to select otherwise.

Jacob Rees-Mogg: I am in complete, almost sycophantic, agreement with the Minister on that. We really do not want to put on such constraints. Freedom is tremendously important.

I return briefly to the insidious argument that once one takes the Government's shilling, one has to do what the Government say. It is very hard, as the recipient of the shilling, to say, "No, I am not going to do what the Government say." It is much easier for a Government who love freedom, who believe in our ancient freedom and who see how strong this country has been because it is a free nation, to say, "We will give you this money—we will allow it to come to you through the students—but as we do so, we will take the shackles off and allow you to stand or fall by your own brilliance—your own success in admitting people." We must assume that universities want to take the cleverest, the brightest and the best—those who will give the university glory when they go on to their future careers, those who may stay and ensure that its research is of the highest quality, or those who will become, like Cardinal Wolsey, so rich that they can establish new parts of the university.

In that way, our universities can have the freedoms enjoyed by some of the American universities, which have endowments running into tens of billions of dollars, allowing them a freedom from the American state and a freedom to take the best and the brightest from around the world and to fund them through their studies. Surely, that is what we must aim for. We must aim for an ambition that returns our universities to the status they had in the middle ages when they were places that people looked at with envy and when people who went to them, who could be supported in doing so, felt that attending them was the highest possible achievement.

Rehman Chishti: I always follow my hon. Friend's speeches with interest; they are fantastic. He was making a point about students wanting to meet their aspirations. In line with that, the policy of the previous Government that 50% plus should go to university was completely wrong, because we all have different skills and abilities that need to be nurtured. That is what our Government are pushing; those who want to go to university should have the right support, but the previous Government's 50% plus policy was wrong.

Jacob Rees-Mogg: Yes and no, if I may sit on the fence. We should aim for excellence for everybody, and for as many people as possible to go to university, but university will do different things for different people. Not all higher and further education needs to be the same; we want to get the most from everybody, but the 50% target became a bit of a box-ticking exercise. Box-ticking exercises are a mistake. They do not lead to what we ought to focus on, which is not ad hoc bits of legislation that deal with—

Mr Hayes: Before my hon. Friend draws his introductory remarks to a conclusion and moves to the main thrust of his remarks, would he reflect on this? He calls for a return to a mediaval view of universities, but the truth is that in the middle ages illiterates were seduced by the mystery of book learning, because most people were illiterate. It may not be possible for us to return to that spirit, given the state of our age.

Jacob Rees-Mogg: I thank the Minister for that intervention, although I must say it was rather depressingly negative and uncharacteristic of him. What we really want to be thinking about is lifting people's spirits. In the middle ages, people saw the joy and virtue of learning.

Ian Lucas: Most people did not. Many people did not achieve, not because they were stupid but because there were not enough scholarships. I went to Oxford, but I did not have a scholarship and if I had not received a grant and had my fees paid I could not have gone to Oxford and I would not have achieved. That is progress, and although I am a great admirer of the past, I think the hon. Gentleman needs to see that sometimes progress can be made.

Jacob Rees-Mogg: I thank the hon. Gentleman for his intervention and I am sorry that we appear to be confusing two things. I am not for a moment suggesting that we ought to go back to the standard of living of the middle ages, or the level of literacy. That is not what we should aim for. It would be bonkers. What I was saying, and I thought I was agreeing with the Minister, is that I would like the status of education to be as high as it was in the middle ages, and to be something that people love and rejoice in. Of course, we want it to be open to everybody rather than only to the narrow, broadly clerical, class that it was open to in the past.

To think of education as a great and exciting thing is tremendously important, and we do that best by allowing the universities their freedom. The less control the Government have, the better. One of the great things about tuition fees is that they will follow the student. Although the Government will provide the money initially, eventually it will be paid back. The Government are beginning to retreat from the financing of the universities, so universities will have greater freedom because they will not be so subject to the Government's interference.

Mr Chope: I am concerned that my hon. Friend accepts too much at face value what the Government say. In paragraph 5.4 of the "Guidance to the Director of Fair Access", the Government make the point:

> "The subsidised loans that Government offers students represent a significant cost to the public purse."

That is then used as justification for interference. Surely, that is inconsistent with my hon. Friend's vision, which I share, that universities should be free to charge whatever fees they wish.

Jacob Rees-Mogg: We have to evolve. We have to move to a position where freedom is re-established. We are going from a position where most university funding is state-controlled to one where a large proportion of it will come from individuals. The Government would be in a ludicrous position if they were getting students to pay what was the Government's money. That would not make sense. We have a wise, good and forthright Government, made up of some of the best brains ever born in this country. We are lucky. We know where we are going in terms of tuition fees; we have a well-thought through plan that will aid the independence of universities, particularly once we move through it and we find that the money is being paid back, the loan book can be run profitably and a major cost can be taken off the Government's balance sheet. I am all in favour of student loans, which will help to achieve the Bill's aims—the admission of people whom universities want because they have the ability to attend them.

Let me draw broadly to a conclusion.

Mr Hayes: Before my hon. Friend does so, I wonder whether we can bottom out the issue of the mediaeval attitude to university. The point that I made—I hope that I can make it a little more clearly now—is that it is hard to reproduce the magic of learning that prevailed in the middle ages because of the secrecy of literacy that then prevailed, too. That is not a pessimistic view—I believe in the power of learning, as he does—but in celebrating the middle ages' perception of university, we must be realistic about how that magic has changed.

Jacob Rees-Mogg: The Minister says, "hard to reproduce", and I accept that, but hard is not the same as impossible. We really ought to aim for learning to be held in the highest regard, because it will lead to our fundamental success and prosperity as a nation.

I should like to broaden the debate for a moment. We are facing decades of competition from countries that we could ignore for hundreds of years—countries that were so corrupt and broken that we could ignore them as we grew rich on manufacturing and services. Now, those nations—China, India, Brazil and Russia—are at the forefront of economic development. Their costs are lower than ours, and we see ourselves as a nation being overtaken. We can compete only if we have the best education in the world—an education that inspires millions of people and leads them to do great things with their lives and to come up with productive ideas.

Mr Hayes: Now we are finding common cause—are we not?—as my hon. Friend eloquently makes the case for the power of learning to change lives by changing life chances. Perhaps he might add to that by acknowledging what I think we share: a reverence for the past, for only the past can change the prism of our memories.

Jacob Rees-Mogg: I am in complete agreement with the Minister on the remark that we learn so much from the past. It gives us an understanding of what we ought to do in the future, and it helps us to avoid making mistakes. Many mistakes were made in the past, and we can sensibly avoid repeating them.

My hon. Friend the Member for Christchurch is noble in his principle. He is noble in wanting to ensure that education is free from the dead hand of state control, but I am sorry to say that his Bill goes about it the wrong way. Instead of getting the dead hand of state control and throwing it on the bonfire, he has severed the dead hand from the arm of state control and is leaving it lying, rotting on the university funding scheme. I say, "Get rid of this dead hand! Remove this dead hand. Get rid of it, finger by finger. Bury it a 1,000 feet deep. Free up our universities; free up the British people!" Let us have a system that is free from state control, where students and universities can do brilliant things, so that our country can be the success that it deserves to be.

12.3 pm

Philip Davies (Shipley) (Con): It is always a delight to listen to my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg), who is, without doubt, one of the finest orators in the House. I find myself in the familiar position of being equally persuaded by him and by my hon. Friend the Member for Christchurch (Mr Chope). It is a familiar position because they are usually on the same side of the argument, and it is therefore easy to be equally persuaded by them both. Today, I am in the unfamiliar position of being equally persuaded by them when they appear to be on different sides of the argument. That can be explained by the fact that they both seek the same or, at least, a very similar outcome, but appear to differ on how best to achieve that.

Notwithstanding the comments made by my hon. Friend the Member for North East Somerset, I support the thrust of what my hon. Friend the Member for

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Christchurch is trying to achieve, which is extremely important. It is quite depressing that the dead hand of political correctness has become so entrenched in society that we must argue, in effect, about whether or not people should be given places at university based on merit.

I apologise for arriving slightly late for the debate, which is partly explained by the fact that I could not see how anybody could argue with the principle that people should be given jobs or allocated places at university on merit. I had assumed that that was so self-evident that everybody would readily agree and there could be no controversy about it. It is depressing that my hon. Friend the Member for Christchurch has to work so hard to make the case for something that most people in the country would consider blindingly obvious—that such things should be determined on merit.

Mr Hayes: After the Reformation, hard work became more fashionable, as my hon. Friend may know. No one has to work hard to persuade the Government of the case for allocation on merit; it is already the Government's view.

Philip Davies: As the Minister knows, I am his greatest admirer, which probably has not done a great deal for his career prospects. However, it has been widely reported in the media, whether or not there is any substance to the reports, that leading universities will be encouraged or forced, one way or another, to take quotas of students from state schools in exchange for the power to charge tuition fees of £9,000. That seems to fly in the face of the assertion that the Government have a policy based on merit, and merit alone. It appears to be the exact opposite.

As my hon. Friend the Member for Christchurch made clear, the problem arises from the fact that our state education system is failing far too many people. Rather than addressing the root cause and dealing with the problems of the state education system, perhaps because the Government think that will take too long now that those problems are so entrenched—in other words, instead of going for the real issue, which might be more difficult but is the most important one—they have filed the problems of the state education system under "Too difficult" and gone for the easy solution.

The true way to get more people from state schools and more people from poorer backgrounds to go to the best universities is to raise the standard in state education so that they can get there on merit. But the Government know that that is very difficult and that the problems in the state system are deeply entrenched, so they go for the easy solution, which is to circumvent all that and force universities to take people from those backgrounds, whether or not they have earned their place on merit. Then the Government can say, "Look, isn't the world marvellous? There is now X proportion of people from state schools or X proportion of people from deprived backgrounds going to university," hoping that everyone will turn a blind eye to the fact that those people have not got there on merit. That is the depressing situation in which the country finds itself.

All the typical arguments are trotted out as to why we should not give people places on merit. We are told that one of the reasons why getting rid of grammar schools was such a good idea is that certain people do not peak at the age of 11, so it is unfair on those who mature a little later to judge their performance at the age of 11. It seems that the argument has moved on. Now we are told that it is unfair to judge people's academic performance at GCSE level because they may not have peaked at the age of 16: it is unfair to test them at 16, so we should not look at their GCSE results.

To be honest, it is now utterly pointless to look at people's GCSE results because one has to work pretty hard to fail at GCSE level. The idea that everybody passes means that nobody passes, so GCSEs have become a worthless qualification. We are getting to the stage where we are told that we cannot judge people's performance at A-level at the age 18, because there are those who have not yet peaked at the age of 18. These are arguments for scrapping exams altogether. We have to make some kind of judgment at some point and although there are imperfections in all these things, somebody's performance at A-level is one of the best guides to whether they have a chance of succeeding at university. If we completely ignore people's A-level results, the whole A-level system becomes utterly pointless. My problem with the idea that people's exam results do not really matter because they will be given university places irrespective of how well they perform is that it demeans people's hard work and their achievements.

Why would we want to send the message to people in state schools and from deprived backgrounds that they should not worry about how hard they work for their GCSEs and A-levels or about spending every hour they can becoming an expert in a particular subject, and that if they do not get the best possible grades they can the state will ride to their rescue anyway, saying that it is not their fault they went to a state school or came from a deprived background, and that we will rig the rules to get them into a particular university? That seems the most appalling message that this House can send. Surely the only message that we should send to young people is that it does not matter what their background is, what school they go to, what race they are or what orientation or gender; if they work hard and get the best possible results, they will be first in line for a place at the university they want to go to. It seems obvious to me that places should be given on merit.

As a country, we are trying to impose some kind of social engineering on university education, the same social engineering as was introduced in the state education system when grammar schools were abolished. Let us be absolutely clear: grammar schools were not abolished and replaced with comprehensive schools in order to increase attainment in state education; it was simply a form of social engineering, and it has proved a disaster. I am appalled that the Government seem to be following the previous Government in wanting to introduce that same kind of social engineering into our university system, where it will prove just as disastrous.

Mr Hayes: I have already put on the record on one occasion my personal views about grammar schools, but let me make a broader point. While my right hon. Friend the Member for Witney (Mr Cameron) is Prime Minister, while my right hon. Friend the Member for Surrey Heath (Michael Gove) is Secretary of State for Education, and while I live and breathe, grammar schools in this country will be under no threat whatever from this Government.

Philip Davies: I do not particularly want to get sidetracked—I am sure that you will not allow it, Mr Deputy Speaker—but the Government's position on grammar schools, which is pertinent to my point about merit, is frankly a nonsense. Basically, they are saying, "If you're lucky enough to have grammar schools in your area, that's fine and you can keep them, but if you poor swine in Bradford want a grammar school system, you aren't allowed it." The Minister's support for grammar schools extends only so far as those areas that already have them, and those of us who would like them cannot have them. That is lukewarm support—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I think that the hon. Gentleman has been sidetracked. I am sure the Minister did not want that because I know that he is very interested in higher education in this debate, rather than grammar schools. I am sure that the hon. Member for Shipley (Philip Davies), as he suggested, will want to come back to the topic of the debate.

Philip Davies: I am grateful, Mr Deputy Speaker; I was indeed tempted by the Minister to go down a route that neither you nor I want us to go down.

I will keep my remarks brief because I am intrigued to hear what the Minister has to say. I want to hear some kind of confirmation, not only that while he lives and breathes he will support grammar schools, but that while he is the Minister and while our right hon. Friend the Member for Witney (Mr Cameron) is the Prime Minister, he will ensure that universities recruit people on merit alone and that people are not allocated places simple because of their background, the school they went to, the socio-economic environment in which they live or the wealth or otherwise of their parents. If we started going down that route, it would be a disaster for this country. The idea of positive discrimination, which lies behind such proposals, is a disaster. Positive discrimination is discrimination, and we should not advocate it, because it demeans people. Many parents make terrific sacrifices to send their kids to private schools. People who cannot ordinarily afford to do so make the most amazing sacrifices, because they understandably want their children to have the best start and opportunities in life.

My parents made terrific sacrifices to enable me to go to a boarding school that they really could not afford to send me to, and I am immensely grateful to them. I do not see why this Government, in particular, or anybody for that matter, would want to say to such parents, "Well done. You've made these sacrifices to help your children get the best possible start in life. What we're going to do now is rig the rules to make sure that all your sacrifices have been in vain, because we're going to stop your daughter or son having the opportunity to go to the university they deserve to go to, based on the hard work that they put in, as you don't meet the criteria, you're not from the right socio-economic background or they didn't go to the school we would have preferred them to go to." What an appalling message.

Mr Chope: My hon. Friend makes a very powerful point. Does he share my concern that the Government, in their desire to bring about social engineering, are going to penalise people who pay off their loans early—perhaps with the help of their parents making the sort of sacrifice to which he refers? Does he condemn that as a gross interference?

Philip Davies: My hon. Friend is absolutely right. As it happens, I voted against the Government on tuition fees for the simple reason that I did not want people from poorer backgrounds to be denied the opportunity to go to the best possible universities. Tuition fees are being increased to pay for more and more people to go to university, and the argument is that if we want more people to go to university, students are going to have to pay a higher price. That is a perfectly logical argument, but I do not want more people going to university. Too many go to university; I want fewer to go. I want universities to be the bastion of high standards again.

In an intervention on my hon. Friend the Member for North East Somerset, my hon. Friend the Member for Gillingham and Rainham (Rehman Chishti) inadvertently touched on that point when he asked, "Shouldn't people who want to go to university have the opportunity to do so?" My answer to that is no. It should be a question not of whether someone wants to go to university, but whether they have the aptitude and have reached a high enough mark to do so on merit. That should be what determines whether they go.

Otherwise, it is like asking athletes whether they would like to compete in the Olympics—I am sure they all would, but surely nobody is advocating that any athlete who happens to fancy a crack at the 100-metre sprint should be allowed to compete at the Olympics. Most people accept that athletes have to reach a certain level before they are even considered for the Olympics, and the same should apply in education: people should not go just because they want to; they should go because they have reached the level in their education that allows them to go. That is the whole point of merit and, as I see it, of this Bill.

All the other factors that people are trying to introduce into the system can only devalue our education system—dumb down the standards. Then the Government will say, "Isn't it marvellous? Haven't we been good for education, because now X% of people have a degree?" Well, no it would not be marvellous—not if the result had been achieved only by dumbing down standards.

Mark Reckless (Rochester and Strood) (Con): My hon. Friend notes that fees have gone up to £9,000, and I, like he, opposed that measure. He says that they are going up to allow more people to go to university, but are they not going up, at least in part, to pay for students from the European Union to go to university? EU students go to university for free in Scotland, while students from England have to pay. My hon. Friend the Member for North East Somerset (Jacob Rees-Mogg) supports loans, but 46% of EU students who take out such loans are not paying them back when they should be. What does my hon. Friend the Member for Shipley (Philip Davies) have to say about that?

Philip Davies: My hon. Friend is absolutely right. As he knows, I share his robust opinion on the merits of being in the European Union—that is, that there are no merits of being in the European Union. One problem with allowing more and more people to go to university and increasing tuition fees is that the people who go

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there on merit end up paying over the odds to subsidise those who do not go there on merit and who will not end up paying back their loan. That is, in effect, the system that the Government have introduced. I think that that puts a penalty on merit. I do not see why people who go to university on merit should subsidise those who are not going on merit.

Jacob Rees-Mogg *rose—*

Philip Davies: I sense that my hon. Friend the Member for North East Somerset is cranking into action.

Jacob Rees-Mogg: I thank my hon. Friend. I do not accept his description of the Government's loan programme, because one would not be able to get the interest rate that will be paid by students in the market for an unsecured loan. Therefore, there is no penalty for those who get to university on merit.

Philip Davies: I take my hon. Friend's point, but my point is that people who go to university on merit would not be expected to pay £6,000 or £9,000 if it were not for the fact that the Government want to get more people to go to university. They are being penalised in that sense. If the Government restricted the proportion of people going to university to 30% or 40%, there would be no move to increase tuition fees. It is in that sense that people are paying over the odds, or more than they would if the Government were not pursuing this strategy.

Mr Hayes: I wonder whether, in developing his argument with his usual penetrating insight, my hon. Friend might reflect a little on the need to balance the magic of exclusivity, which he seems to be attracted to, with the absolute need to ensure that people from humble backgrounds get their chance for glittering prizes. He seems to be making the case that exclusivity is more important than that social mission. That is not the case for me, because I am a Conservative.

Philip Davies: This is rare, but I do not follow my hon. Friend's logic. I am as committed as anybody to ensuring that people from the poorest backgrounds have the opportunity to go as far as they can within the education system. My view is that the education system should allow them to do that on merit, not that the Government should rig the selection criteria so that they can go to university whether or not they have achieved that objective on merit. The challenge for this Government is to undo all the damage that has been done to the education system in this country over the past 40 years or so by both Conservative and Labour Governments—neither side has a great track record on the state education system. The Government should concentrate on that and not be seduced down the easy route of trying to achieve the same outcomes by more dodgy means.

Mr Hayes: I understand that point, but my hon. Friend made a second case. I have freely accepted his first case about merit. The second case he was making was about exclusivity. As I understood it, he was arguing that too many people were going to university and that fewer people should have the opportunity to do so. That is the case that I was beginning to explore with him. I wonder if he would expand on it, because in practice it would mean limiting opportunity for some of the people who have the merit that he celebrates.

Philip Davies: I do not accept that, because we have ended up with a system whereby people go to university because they have been put on a conveyor belt to university by the state, which has encouraged people to go down that route. Many people go to university who are not best served by doing so, and who would be far better served by vocational education. We seem to be obsessed with education in this country. One of the places where one can learn an awful lot is at work. I learned more in my years at Asda than I ever did at university or school. Rather than spending three years at university, many people would be better served by getting three years' work under their belt and learning the skills that are learned in the workplace.

I object to the idea that everybody should be on the conveyor belt of university, because I do not believe everybody is best served by it. That is demonstrated by the fact that I believe 20% to 25%—I am sure the Minister will know the figures better—drop out of their university courses. They have clearly gone to university and discovered the hard way that it was not the best thing for them. How many more stay on their degree course while probably realising in their heart of hearts that it is not right for them? They are stuck on a conveyor belt, when better alternatives for them exist.

It is a mistake to think that going to university is a panacea for everybody. For some people it is absolutely the right thing to do, and we should allow those people to go to university irrespective of their background and where they have been educated. We should say to others, who are not best suited to university, that that is no disgrace at all. We should raise the value of vocational qualifications and careers and allow people to pursue what they are good at. Everybody is good at something, and we need to find out what people are good at and allow them to develop in it. That does not always mean that they have to go to university to develop their expertise.

Nick de Bois (Enfield North) (Con): Does my hon. Friend share my concern that even if people choose to go into business to pursue their ambitions, there is now a suggestion that we should select directors based on their sex rather than merit? Does he agree that we should put an end to such creeping social engineering?

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. We are not going to go down that line. We are going to stick to the subject in hand. As tempted as Mr Davies will be, I know he will restrain himself.

Philip Davies: I will follow your guidance as always, Mr Deputy Speaker. It is fair to say that you know my opinion just as much as my hon. Friend does. We can leave it there. I must say in passing that my hon. Friend is probably the best person in the House to speak about job opportunities, because of his marvellous work in his constituency helping with jobs fairs and trying to get people into work. He will have seen at first hand in his constituency the skills that people need to get jobs, and he will know that a university education is not always essential for a person to get the right job. He should be commended for what he has done, and we should listen to his advice, because he knows more about the matter than most.

I commend my hon. Friend the Member for Christchurch, because he has raised an important matter, notwithstanding what I would describe as the technical opposition to the Bill offered by my hon. Friend the Member for North East Somerset. Whether or not we agree with the Bill, I think we all agree that the Government should not feel it necessary to stick their nose into university recruitment. They should allow universities to do what they have always done, which is to recruit people on merit, and merit alone, irrespective of their background, gender, race or any other factor. Those things should be irrelevant, and people's ability alone should be decisive.

12.28 pm

Ian Lucas (Wrexham) (Lab): First, I commend the hon. Member for Christchurch (Mr Chope) for initiating this interesting and wide-ranging debate by introducing his Bill. I agreed with him at the beginning of his speech when he said that the Government's higher education policy was mired in confusion and that the Government were at sixes and sevens. I also agreed with him at the end of his speech when he talked about the difficulties that the Government are having because of the decision by an increasing number of universities to charge £9,000 a year for fees under the rules passed before Christmas. That is causing the Government increasing financial difficulties, because their approach to higher education was predicated on the basis that the fees would be rather less than that. Perhaps that explains why, as we have heard, the higher education White Paper, which should be a framework for discussion, has been deferred again. The opportunity for us to discuss the matter has therefore been delayed. More importantly, those students who are in what I still call the lower sixth who are planning to go to university in 2012 will be looking at a menu with no price list, and no description of the dishes on offer, which is a great abdication of responsibility by the Government.

Mr Hayes: The hon. Gentleman is being a little unfair. The previous Government, of whom he was a member, commissioned the Browne review, agreed its terms of reference and fixed the timetable. The hon. Gentleman could hardly have expected this Government to come to office when the Browne review was still considering its recommendations and immediately introduce a White Paper, still less legislation.

Ian Lucas: The Government told us initially that the White Paper would be published in March this year, but made the decision not to abide by their timetable—the timetable was theirs, not that of Her Majesty's Opposition.

The Bill states that admissions to universities should be on the basis of merit, but frankly, that is a truism with which no hon. Member would disagree. The difficulty is that there is so little agreement on what constitutes merit in a student. That lack of agreement exists not only among hon. Members, but among universities, which use very different admissions criteria.

The hon. Member for Shipley (Philip Davies) interestingly focused on A-level grades, which are an important reflection of the academic ability of those who are seeking to go to university. In very many cases, universities look at those to determine whether someone will be a successful applicant for a course, but they are not the only criterion that universities currently use. The advantage of the A-level is that it is transparent. The student is aware when he applies and is given an offer of what he needs to achieve to gain admission to a university course. However, the grades that are now expected of applicants are extremely high. For example, I am personally aware that the leading universities in the country offer mathematics applicants two A* grades and an A grade, or two A grades and a B grade or three A grades.

That is a transparent process, but some universities have a standard offer—an offer made to all applicants, no matter what school or further education college they come from or their background. The standard offers are also high. One university makes an offer of two A* grades and an A grade for the subject in which it has a very high reputation.

The sixth term examination paper exam, which is additional to A-levels, is increasingly being relied on by universities when they consider whether to admit candidates. I do not know whether hon. Members are aware of that, but the Minister should take note of it. STEP exams require a particular type of teaching, and commendably, some universities have recognised that and are providing support for students who come from institutions that do not provide such teaching, to give a fair chance to individuals who have the academic ability to achieve the results they need. Many schools, particularly those from the fee-paying sector, provide preparation for STEP exams that is not provided in many state schools, and that prejudice is, I am afraid, working against the chances of talented individuals—including today's Cardinal Wolseys—achieving admission to universities on the basis of their A-level and STEP-level results.

The system as it stands disadvantages applicants from schools and institutions that do not have good provision for the teaching of STEP exams. STEP exams are a very recent innovation—I happen to know something of them because I have children at the age when these applications are made. I would like to hear whether any consideration has been given to introducing STEP exams into offers made to individuals, and whether the Minister has looked at the provision in place in institutions and schools for teaching in that area. It is an area of great concern to me.

Philip Davies: What puzzles me is that the hon. Gentleman seems to feel that after 13 years of a Labour Government pumping so much money into the state education system, people in the state system still cannot compete equally with people who go to private schools, and therefore an adjustment is needed. If what the previous Government did to the state education system was so marvellous and raised standards so high, why cannot we just have fair and free competition between the state and private sectors?

Ian Lucas: I am sorry that the hon. Gentleman is bringing party politics into the debate, because I am trying to approach it in a measured way. I am talking about offers made by universities to talented students, including in his constituency, who happen not to have

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the provision in their own institution, whether in the private sector or public sector, to support their applications to university. I think that the Government should be looking at support for that.

This is relevant now, as opposed to when the Labour Government were in power, because back then the requirement for STEP exams when university offers were made had not been implemented. This year, there is a particular issue relating to university applications: an enormous number are being made to universities owing to the prospect of fee levels next year. There has been a huge rush of applications, but fewer offers are being made by universities. Furthermore, higher offers are being made this year than I think will be given next year, because so many more people are applying.

I also want to touch on issues of transparency and merit. I raised this point in interventions earlier. Transparency is a great quality, particularly when one is looking at the very complex process of applying to universities. There are lots of different universities and lots of different courses, and it is a big job for any individual student, or parent advising a student, to deal with the complexities of the university admissions system. It is particularly difficult when the admissions system is not transparent. The hon. Member for Christchurch (Mr Chope) at times suggested that the current system was transparent. In my view, it is not transparent when not based on admission by academic performance, and it is not based on academic performance when it is based not on A-level or STEP results, or any other exam results, but on an interview. The disadvantage of an interview process is that, if a student achieves the required grades, passes the exam and is called for an interview, but is then rejected, they do not find out why they have been rejected.

Mr Hayes: I am listening carefully to the hon. Gentleman. What is emerging is a certain unity of view between him and my hon. Friend the Member for Christchurch (Mr Chope). He seems to be saying that he wants to curtail universities' freedom to take into account other circumstances that might prevail in precisely the same way as my hon. Friend. The freedom of universities, which we cherish, is under assault.

Ian Lucas: How profoundly ironic that the Minister, who has proposed the restrictions to which the hon. Member for Christchurch vociferously objects, should suggest that I agree with the hon. Gentleman. I agree that admission to university should be made on the basis of merit, but I disagree with the assumption that the system is currently based on merit. In fact, the system discriminates against students from non-fee-paying schools.

The hon. Member for North East Somerset (Jacob Rees-Mogg) made an interesting aside in his very interesting speech. He raised the subject of individuals at, for example, Oxford university, who conduct the interviews that I have just discussed, and who meet applicants who challenge them. They may feel uncomfortable with discussions at interview, and they may not like the prospect of teaching them, not because of their academic potential or achievement but because of their own preconceptions. The disadvantage of the interview process is that it allows that to happen.

It is therefore important that we have a transparent admissions process. It is very important indeed that we have independent universities and that we use all the potential that we have in our schools, whether fee paying or in the state sector. What is the best thing for Britain is that everyone with potential should realise their potential through school and bring it to fruition at university. The tragedy is that, for too long, too many people with the ability and the potential have not been taken through university because of the ivory towers and walls that exist.

Mr Hayes: I should like to elicit from the hon. Gentleman his precise position. On the one hand, he says that he believes that universities should be "independent" and that people should be able to fulfil their potential but, on the other, he seemed to suggest—and we need this on the record—that he was against universities interviewing candidates. Would he make it illegal? Is he suggesting that it would be entirely forbidden were he ever to hold the position held by my right hon. Friend the Minister for Universities and Science?

Ian Lucas: The Minister, having given his personal views on grammar schools at the Dispatch Box, even though he speaks as a Minister, could not possibly tempt me to make binding commitments from the Front Bench in a way that I might have done had I been on the Back Benches.

There was a great expansion of the university system under the Labour Government, and there was great investment in it. The continued independence of the university system was cherished under the previous Government, and that sat alongside the fact that there was increased state investment in the system. I am afraid that as fond as I am becoming of the hon. Member for North East Somerset, we part company on the important role that the state plays in our university system. I think that it is a good thing that more people go to university. It is a good thing that people who have the potential to go to university should realise that potential. I do not believe that if the state stood aside entirely and did not provide support, either through a grant system or another form of system, that would be a good thing for the United Kingdom, because fewer people with the potential to go to university would do so. That is why the grant system was originally introduced, and that is why I went to university. I went to Oxford university—and my father left school at 14, as did my mother. If I had been limited, as Cardinal Wolsey was, to securing a scholarship, I am afraid that my intellectual capability would not have enabled me to go to Magdalen college, and indeed to found my own college. That may be something for the future.

The issue that sits between those who support the Bill and myself is merit. No one disagrees on what constitutes merit. Our difficulties lie in how we define the procedure by which that is identified in applicants. The hon. Member for Shipley talked solely about A-levels. Some universities are currently choosing systems that are not transparent, and which do not disclose the criteria that apply. When one couples that with the fact that the price list on the menu is very unclear for students who want to go to university, particularly for the year after next, it is virtually impossible for students to make sensible, informed choices about their future.

When I speak to business people in my role as shadow industry Minister, they often tell me that they want more engineering graduates. They also want apprentices, and I defer to no one in my admiration for apprenticeships and foundation degrees, but they do want graduates of the highest quality, in science, maths and engineering. We need a system that ensures that everyone who has the potential to secure a future—to expand and extend their skills as far as possible—achieves that potential. That clearly requires a role for the universities, who have their own skills in identifying those candidates, but it also requires a role for Government, because the Government invest in the university sector, and it is important that public money is used in a positive way and for the benefit of the country as a whole.

It is at that stage that I disagree with the hon. Members for North East Somerset and for Christchurch, because I believe that means we have a responsibility in the House to hold the Government to account on the use of public money. I want as many young people and students as possible from my constituency to go to the best universities. I happen not to have a private school in my constituency, so if a young person living in my constituency wants to attend some of the best universities in the country, the facts and figures show that they are less likely to be admitted to those universities than if they went to a fee-paying school. I regret that. The current system is not fair. We need to devise a system that takes into account and re-establishes the position of the universities as independent institutions, but also recognises the legitimate role of Government in ensuring fair access to them.

Rehman Chishti: In terms of the responsibility to ensure that those from different backgrounds can go to university, the role of OFFA and the criteria that it applies to ensure that those universities—the top end, the Russell group—can get people from less privileged backgrounds have to be right. The hon. Gentleman said that some people from schools in tough catchment areas may not have the right experience for the interview process at Oxford, but in the OFFA criteria,

> "the scale and nature of outreach activity to be undertaken (singly or in partnership) with local schools and colleges—such as mentoring,"

will be taken into account, as will targeting schools in tough catchments. Therefore, what the Government have put forward in the wider package for higher education, along with the role of OFFA, which will certainly help to ensure that people from less privileged backgrounds get that assistance to go to some of the high-performing universities, have to be right.

Ian Lucas: I am very confused about the Government's rules that will allow a university to charge £9,000 rather than £6,000. The criteria for universities are extremely unclear.

Rehman Chishti: The hon. Gentleman refers to the figure of £9,000, but he needs to consider the overall package. He must accept that it is right and proper that there are no up-front fees, which would have deterred a lot of people from less privileged backgrounds—I put myself in that category. It must also be right to increase the threshold from £15,000 to £21,000.

Ian Lucas: There have not been any up-front fees since the Higher Education Act 2004 was passed under the previous Labour Government, so that is a complete red herring. The existing system is being continued, but the difference is that this Government are tripling the debt that students will take on, with which I profoundly disagree. I voted against the 2004 Act—I was a Labour Back Bencher at the time, and I continued to be a Back Bencher as a result—because I disagreed with the concept of fees.

Rehman Chishti: The hon. Gentleman talks about finance, but he must accept that we are in a difficult financial situation. The Government have inherited one of the worst financial situations in the G20 and one of the worst structural deficits in the G7. He responded to my point about up-front fees. The fact is that the Government could have considered introducing up-front fees, but they ruled them out categorically. The overall package is good for part-time students and helps mature students. He must accept that there is a real problem with discrimination against children with disabilities and learning difficulties who wish to go into higher education, and the package will improve their situation, too.

Ian Lucas: The Government are tripling student debt in the years ahead, but that is profoundly wrong. Their policy will deter individuals from poorer backgrounds from going to university, so I shall continue to disagree with it.

I am with the hon. Member for Christchurch on the question of merit, but I am against him on exemptions, so I will not be able to support his Bill. The existing situation is unsatisfactory because insufficient students are admitted to university on the grounds of merit. Many people are frustrated because some universities are sending them the message that if they do not go to the right schools, it is not worth their applying, so as a consequence they do not apply. That is why there has not been the progress that should have been made. Young people should be able to achieve their potential, but they need support. We need a fair system that supports individuals who want to go to university and, above all, ensures that every individual achieves their full potential.

12.53 pm

The Minister for Further Education, Skills and Lifelong Learning (Mr John Hayes): Benjamin Disraeli, the greatest Tory Prime Minister, said:

> "A university should be a place of light, of liberty, and of learning."

Our debate, albeit a short one, has given us the chance to explore some of those concepts. I thank my hon. Friend the Member for Christchurch (Mr Chope) for bringing forward the Bill because it has provided the opportunity to debate an extremely important topic.

Further and, in particular, higher education have attracted a great deal of debate in the House in recent weeks and months, and indeed they have been debated elsewhere, too. Key to that debate was the central issue,

[Mr John Hayes]

which the Bill addresses, of university access and admission policies, and learners' opportunities for progression from further to higher education.

Let me say this, for if I did not, the House would wonder why, given the publication of the Wolf review yesterday: we should not confuse higher education with higher learning. It is absolutely right to say that our society and economy need people to aspire to higher learning. Britain's future chance of success lies in being a high-tech, high-skilled nation, and because of that, we need to invest in the human capital of our work force through higher learning, although that may not always take place at a university. Opportunity may be found in the workplace and in our further education colleges to obtain the higher learning that will fuel economic success, which is the component part of our chance for growth and prosperity.

The short time available to me does not give me the opportunity to speak on that subject at as great a length as I would like, but I want to put on record that spreading that kind of opportunity—an opportunity to which my hon. Friend the Member for Christchurch drew the House's attention—will necessitate, in my view and that of my right hon. Friend the Minister for Universities and Science, teaching more higher education and higher learning in our further education colleges. FE colleges are the unheralded triumph of our education system. They do immense good work, and of course they teach a great deal of higher education already. Their cohorts typically reflect the communities of which they are a part and are, by and large, more widely drawn than the cohorts that one typically finds in our universities. The private Member's Bill of my hon. Friend the Member for Christchurch, inasmuch as it deals with access to those kinds of opportunities for higher education, draws our attention to where and how that might be provided, as well as to how people might obtain it.

I think that it is a matter of public record that I am no more a social engineer than my hon. Friend. Social engineering was mentioned by my hon. Friend the Member for Shipley (Philip Davies); I almost rose to intervene on him, but I did not want to interrupt the flow of his oratory, so I shall take the opportunity now to say that social engineering is on neither my agenda nor that of the Government of which I am part. I am a firm believer in meritocracy and the principle that people should be rewarded according to their efforts and abilities, whatever their circumstances or background. That principle is at the heart of the Government's approach.

I reassure my hon. Friend the Member for Christchurch that merit is the driver of access, in the Government's view. The reason for that is both practical and philosophical. The principle that people should prosper on the basis of their assiduity and talent lies at the very heart of the philosophy of the party to which we both belong—it is a bigger philosophy than that, though, and I will speak about that in a few moments. However, it is also a practical matter—a matter of ensuring that we harness the best talents in the interests of the nation—for also central to our mission is the promotion of the common good and the national interest. The national interest would hardly be served if we let any Giotto remain among the hill shepherds, to use Ruskin's words. Every talent must have its opportunity to shine, and every kind of person must have their chance of glittering prizes.

That takes me to the middle ages, which we heard a great deal about earlier in this short debate, courtesy of my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg). We enjoyed a brief exchange, but what did not emerge from it was the fundamental feature of the feudal and mediaeval appreciation of universities. That has been lost to some degree, because we have largely come to regard "feudal" and "mediaeval" as pejorative terms, but in fact my hon. Friend shed light on the interesting elements of the opportunities available then, which found their form in universities. Universities were then broad, liberal, rather radical places to which many people from many backgrounds were able to go. Far from being exclusive, they were rather inclusive. My hon. Friend mentioned Wolsey, who was a butcher's son. I do not know whether my hon. Friend is the son of a butcher, but I had my chance to go to university and I am from a family for whom universities had previously been almost unknown—a distant and detached thing. Though that was certainly the case in the middle ages, later, universities became rather different things, but at the time, which might be described as a golden age, they were inclusive in the way that he described.

The other important philosophical principle to which I want to draw the House's attention is something that is at the very heart of conservatism but is sometimes neglected—the elevation of the people. Benjamin Disraeli, whom I am determined should get at least two mentions in my short speech, laid out the tenets of conservatism in his Crystal palace speech and identified the elevation of the people as being central to them. That is why I am driven by a desire for social mobility and social justice, just as my hon. Friend the Member for Christchurch is. When considering the elevation of the people, we should properly consider their chance to gain learning as a way of progressing.

As my hon. Friend the Member for Christchurch will know, Alan Milburn was commissioned by the previous Government to consider these matters in considerable detail. He produced a report that looked at a series of inhibitors to social mobility, one of which, interestingly, was graduate recruitment. He observed that there was a time when someone could join a firm of lawyers or accountants and rise from being the tea boy to the top of the firm, but that is no longer so. It is interesting that graduate recruitment has, arguably, inhibited the social mobility that we all wish to see. It is certainly true that under the previous regime little was done to improve social mobility.

In those terms, the Milburn report is something of an embarrassment to the Labour party. It identifies access to education and educational opportunity as being critical to the mission I have described, but makes the point clearly that prior attainment limits people's chance to progress into further and higher education. That point has been made at length. We cannot discuss admissions to universities without looking at applications, and all the evidence suggests not that the admissions system is prejudiced against people from under-represented groups but that too few of those people apply to university because of their prior attainment. We really have to get our schools system right if we want to drive the kind of social justice that lies at the heart of the Conservative party's mission. My right hon. Friend the Secretary of State for Education has put in place a wide range of plans to do just that—to drive up standards, create opportunity and deliver the kind of outcome that I am describing. However, you would not let me speak about those too much, Mr Deputy Speaker, because it would be going a little off the subject. As part of our mission to elevate people, it is absolutely right to consider how we can get more people whose tastes and talents take them in the direction of higher learning to achieve their potential.

Now, let me draw attention to the core of what my hon. Friend the Member for Christchurch has said today. It is not just the Conservatives who are committed to social justice, although we are peculiarly committed to it. The whole coalition Government completely support the admirable principle that universities and colleges should offer places solely on merit. The Government seek to make far-reaching reforms of the further and higher education sectors, but there are some elements that we do not seek to change. Like other nations with outstanding higher education systems, we recognise that universities and colleges must continue to recruit on merit.

When I look at the issues that the Office for Fair Access must take into account in respect of access, I see no dichotomy between that commitment to merit and the list of considerations that universities are asked to take into account in respect of admissions. They are few but important and it is worth exploring them, because they are salient to our deliberations. The first is

> "the scale and nature of outreach activity to be undertaken (singly or in partnership) with…schools and colleges—such as mentoring, school visits, student buddying"—

Not a word I would have used, Mr Deputy Speaker, but there we are—and

> "master classes in schools."

Is any of that incompatible with the principle of merit, I ask my hon. Friend the Member for Christchurch? It does not seem so to me.

Secondly, universities are asked to look at

> "the scale and nature of outreach activity to be undertaken to attract mature students—including work with local communities."

Can that be reconciled with the desire to see merit as the key determinant of admission? I think it certainly can.

The third component is

> "the scale and nature of summer school programmes"

or similar initiatives in which universities are asked to engage. Is that an unhappy marriage with the nature of merit as a driver of access to university? Certainly not.

The fourth consideration is the number of financial waivers the university will offer, and the fifth is the requirement

> "to participate in the new national scholarships programme, with bids match funded from…a university's own resources."

That will build on the long-standing tradition in our universities of bursaries, exhibitions and scholarships that have done a great deal to allow people from less advantaged backgrounds to achieve what they wish. None of that seems outside the scope of what the Bill seeks to secure.

The sixth consideration is

> "targeting pupils with potential (use of contextual data, targeting low achieving schools) and improving aspiration and attainment through outreach."

Let me say a word about that. I understand why someone might think that such targeting would be incompatible with the objectives of my hon. Friend the Member for Christchurch, but I disagree. Universities have always used interviews, for example, to determine someone's potential. Many hon. Members are university graduates, and a number of them will have been interviewed before obtaining their place. Those interviews have for a long time been used as means for a university to get a more rounded impression of an individual's potential, tastes and personality. Is that unreasonable? It does not seem unreasonable to me. It is certainly time-honoured, and you will understand, Mr Deputy Speaker, for you know my instincts and sentiments as well as anyone, that anything that is time-honoured holds a special place in my heart.

Jacob Rees-Mogg: I share the Minister's sentiment about things being time-honoured, but does he agree that interviews are central to a tutorial system, because the tutor and pupil need to be able to work with one another over an extended period?

Mr Hayes: The symbiosis between the teacher and the taught lies at the heart of all good education. My hon. Friend describes the essential relationship—the relationship that Socrates enjoyed with Plato and that our Saviour enjoyed with His disciples.

Jacob Rees-Mogg: To continue, Diogenes did not enjoy that relationship with Alexander, which is why he was unwilling to talk to him.

Mr Hayes: Now my hon. Friend encourages me to go down a classical road, which might be of interest to the House but certainly would not necessarily be relevant to the Bill, and I will not be encouraged to do that.

A consideration of potential has always been at the heart of the relationship between the teacher and the taught in the business of deciding where a person might go, having been admitted to an institution. I will not say that I was shocked—it is hard to be shocked in the House—but I was surprised by what the shadow Minister said. He might want to correct this—I do not want to damage his career unreasonably, although it will be in opposition of course—but he at least appeared to suggest that the Opposition's policy was hostile to the very business of universities interviewing students. That would require unprecedented prescription over independent universities. It would be a curious Government and a curious Minister who told universities that they were forbidden to use what they had used successfully, perhaps for generations, as a means of choosing who was best suited to their institutions.

Ian Lucas: That is exactly why I did not say it.

Mr Hayes: I am pleased to hear that helpful correction.

Ian Lucas: I would be grateful to the Minister if he did not misrepresent what I said to the House.

Mr Hayes: I am grateful to the hon. Gentleman for that correction. I will not say that it was a U-turn—that would be too strong—but he seemed to clarify his remarks in a way that is helpful to us all in considering these matters in a balanced and measured manner.

[Mr Hayes]

The principle that I have described in respect of merit linked to a consideration of potential is time honoured. The other things that OFFA suggests that universities should take into account are no more frightening than those that I have already identified:

> "progress towards benchmarks...published by HESA and others more immediate targets and measures agreed"

in respect of those less well represented groups. Targets agreed and measures suggested and agreed do not form the frightening perspective that my hon. Friend the Member for Christchurch described in his opening remarks, although, of course, I celebrate the fact that he has given us the chance to explore these matters because I want to put on the record what I have told him previously: I agree with him about merit.

Mr Chope: How can the percentage of students admitted from state schools, from lower socio-economic classes or from low-participation neighbourhoods directly have a bearing on merit? Surely, they are irrelevant to merit.

Mr Hayes: They would be irrelevant were it not for the fact that we know—do we not?—that many high-performing students from state schools do not get to some of the universities that they might get to if they had the wherewithal that is available to people such as he and I and will be available by proxy to our offspring. I have not finished my list, but that brings me conveniently to advice and guidance.

We know—do we not?—from what Lord Browne and Mr Milburn said in their reports that part of the problem in matching the abilities of the under-represented in higher and further education to the institutions that might best serve their tastes and talents is that they do not have the wherewithal to get to where they might want to go. What I mean by that is this: we know that social networks and familial understanding are the basis on which those who are already advantaged cement their advantage. It is not aspiration or ambition but wherewithal that limits working class people from achieving what they might.

This is a difference between the two sides of the House. There has been a bourgeois left misunderstanding of working class culture. Lord Mandelson is a case in point—he felt that there was lack of ambition. Aspiration, we are often told, is what the working classes lack. That is completely untrue. Working class parents and grandparents seek exactly the same for their children and grandchildren as middle class people. What they lack is the means to achieve those ambitions because of a gap in wherewithal. They do not have the social and familial networks that understand the process by which their talents might be turned into actuality through higher learning.

That is why the Government are introducing an all-age careers service from this autumn that will balance the advice that it gives in an empirical and independent way. The Education Bill that is going through the House will place a duty on schools to secure that independent and empirical advice because we know that learning is a key driver of social mobility, and social mobility is a critical component of social justice. I would go as far as to say that a free society, which is by its very nature an unequal society, can be legitimised only when social mobility prevails. The inequalities that are the natural bedfellow of freedom can be ethically justified only by social mobility. That is why social mobility and social justice are so central to our mission.

I return to the requirements published by OFFA in respect of access and admissions, which universities must take into account, as that is a subject that has been raised repeatedly in the debate. The list of requirements goes on to identify

> "the support offered to students once enrolled on courses—for example additional study support, mentoring, pastoral support, help with basic skills; and the range of programmes the university will offer which could be easier for under-represented groups, particularly mature students, to access—part-time courses, distance learning, two-year degrees, intensive, accelerated degrees, supported foundation year."

Why is all that so important? We know that when the rhythms and patterns of study match the rhythms and patterns of many more kinds of people's lives, they are likely to engage in learning, and that for a mature student, for someone working to fund their study, for someone with caring responsibilities, the traditional three-year degree course, full time, at a leafy campus is not an option. By being more creative about modes of learning and access points to learning, we can engage many more kinds of people.

I gave a speech on broadening access to higher education—I know that you will be familiar with it, Mr Deputy Speaker, but others in the House may not be—some time ago at Birkbeck college in London. I have a copy for anyone who would like one. I am prepared to sign them for particular fans and admirers. Birkbeck college is the embodiment of the principle that I have just outlined. At Birkbeck, the idea of taster courses, first years which allow people to move on to a degree, and the very business of part-time study are intrinsic. It is central to the college's mission, as it is to the Open university. I was with the Master of Birkbeck college and the vice-chancellor of the Open university briefly yesterday, as I was anticipating this debate. The Open university, too, shows us that by changing the way people study we can change the level of engagement of those who are typically under-represented in higher education. I have mentioned further education, where part-time study is generally the norm, rather than the exception, which is one of the reasons why we want to expand HE in FE.

To return to the Bill and the remarks of my hon. Friend the Member for Christchurch, the real issue is that OFFA's requirement that universities must use a range of programmes, including distance learning, part-time study and taster and foundation courses, far from being malevolent, is extraordinarily virtuous in achieving the mission that he and I share, which is that those who have the ability should be able to access higher education.

Mr Chope: Will the Minister give way?

Mr Hayes: I was just about to say something about Pope John Paul II, but I will give way before doing so.

Mr Chope: I do not want to get between my hon. Friend and Pope John Paul II, but if a university court, for example, is to have the freedom to decide what is best for its university, why can we not trust the universities themselves to do what is best? Why are the Government prescribing this set of requirements through OFFA?

Mr Hayes: My right hon. Friend the Minister for Universities and Science, when dealing with those issues in the House, has made it clear that universities are indeed independent institutions that will make their own judgments on precisely how they deal with those matters. It seems perfectly reasonable, based on our desire to spread good practice as far as we can, to draw to their attention those salient matters that might affect their ability to give opportunities to those people with merit who typically do not do as well as those with equal merit from advantaged backgrounds. I do not think that that is unreasonable. I know that my hon. Friend the Member for Christchurch would not want to inhibit in any way those who are under-represented in higher education, but who have talent and merit, from prospering. I give him absolute assurance that merit is the basis on which universities should choose students, and we are not in the business of dictating to independent institutions on how they go about meeting the requirements, which seem to me very reasonable, set out by OFFA.

We believe that freedom is central to the concept of a university. Indeed, a free university linked to academic freedom and freedom of thought seems to me to be important elements of a civilized society, as was mentioned earlier. I qualify that, however, by noting that John Paul II said that freedom has its merit when it is exercised to pursue truth. I do not want to leave on the record any misunderstanding that freedom is intrinsically of value, separated from truth, because that could misrepresent my views on the character of freedom.

That takes us to Cardinal Newman's "The Idea of a University", which I know my hon. Friend the Member for Christchurch will have read before the debate. Newman's idea of a university was that by definition it should be distinct from instruction, vocation or a profession. That is one of the tenets he sets out in his discourses concerning what a university should comprise. That is no longer the case in Britain. Pursuing a university career in Britain might, indeed, still be about studying something peculiarly—solely—academic, but it might also include studying something that is highly vocational or practical in character, and so it should. I admire Cardinal Newman immensely, but on that matter I disagree with him, which might be because we live in different times. For that reason, however, the business of access to university, tied to what is studied and how, needs to infuse all we do regarding admissions and access. That is why I take a rather more lateral view about the character of higher study: how, where and what people study all seem to be linked when we consider the matter of access.

My hon. Friend fears that we are engaged in social engineering, but I can absolutely assure him that, far from that, the independence vested in universities by their very nature remains unaffected by the Government's determination to pursue an agenda that will widen access as I have outlined.

My hon. Friend will know, and it has been discussed today, that the Government have been looking at how universities are funded. The changes in fees and funding will put universities on a more sustainable footing, and, as he argues, part of that will involve universities deciding what they charge their students. There are those who think that that will inhibit our plan to widen access, but I absolutely believe that it is not admissions or fees that are central to spreading opportunity in that way, but, as I have said, prior attainment, advice and guidance, what people study, access points to learning and modes of learning.

For example, the Government's response to Browne, which accepts his recommendations on part-time funding, will, I believe, in a short time have a more dramatic effect on widening access to higher education than any change to the admissions system could ever have. We already know that part-time learners tend to be drawn from a wider cohort than full-timers, and the change has been widely welcomed by the universities sector, in particular in the House yesterday by the Open university and Birkbeck college and, indeed, by others. I know that it is welcomed also by the Association of Colleges, Universities UK and the Million+ group, and it is going to be an essential component in allowing us to achieve our objectives to broaden access.

My hon. Friend seeks to prescribe in law the circumstances by which people might be admitted to university, but my hon. Friend the Member for North East Somerset suggested—and I was able to help him through an intervention in making the point, I hope, even more clearly—that in doing so my hon. Friend the Member for Christchurch would prescribe not merely what universities chose to do, but what they chose not to do, because universities that use interviews as a way of assessing students would, I guess, be prevented from doing so.

Mr Chope: I am grateful to my hon. Friend for giving way, but why does he say that? In my Bill, there is no restriction on universities being able to assess academic ability, potential and aptitude by interview if they so wish.

Mr Hayes: That is a helpful intervention, because a student with less prior attainment, for all kinds of variables that we do not need to expand on now, might well be admitted to a university as a result of an assessment of their potential at interview, whereas a student who had achieved strong results and so had strong prior attainment might not be. I am glad that my hon. Friend is not saying that there is rigidity in these principles. He displays an understanding of merit that is rather more liberal than I had imagined. I assure him that the Government's understanding of merit is equally liberal. I do not usually like to use the word liberal in a positive way, but we are now in a different world so I will do so. The Government are absolutely clear that it is for universities to make decisions about who will best benefit from their provision, and not for us. We do not want to dictate that any more than I have now learned my hon. Friend does. Universities are, as the Minister for Universities and Science has made perfectly clear in this House, independent institutions, and long may they remain so.

The principle of institutional autonomy is enshrined in the Further and Higher Education Act 1992, which I happen to have with me. My hon. Friend will know that that Act—from memory I think that it is in section 62 or 63—makes it absolutely clear that universities are autonomous institutions. That limits the power of the Secretary of State. The Act, which I hasten to add is

[Mr Hayes]

unchanged by this Government, limits the Government's power, subject to certain terms and conditions. For the benefit of the House, I will read the provisions because I do not imagine that everybody has the Act to hand. Section 68(3) states:

> "Such terms and conditions may not be framed by reference...to the criteria for the selection and appointment of academic staff and for the admission of students."

That could not be clearer. It could not be more plain that the Government, in leaving the Act unaffected by any changes that we are making to fees and funding, are absolutely confirming the independence of our universities in those terms. That principle has been observed for a very long time and we do not wish it to be challenged or amended.

Institutional autonomy, whether in further or higher education, remains a central tenet of our system, and it is a key theme in our current considerations. Perhaps I should add that in respect of further education colleges the Government are going even further. We are determined to lift much of the bureaucratic burden that they have endured for too long. To unleash the human capital in our further education colleges and to build on their excellent work, we will free them from some of the target-driven, centrally micro-managed and directed edicts that emerged from the previous regime. In those dark days, further education was undervalued by Government; it is not now. As we have moved from the shadows into the light, so has further education in the United Kingdom. The Education Bill that is currently making its way through this House rescinds some of the requirements that were placed on further education colleges late in the previous Government's life. It will increase their powers to borrow and invest, and make various other changes. The principles of institutional freedom that I have described will be retained.

Although I understand the reasons for doubts about what OFFA has said about admissions, I do not believe they are well founded. I have given a firm commitment on behalf of the Government to the principle of merit, but I wish to say a little about how we might move ahead in agreement.

To help identify individuals with the greatest potential, institutions may want to use data about the context in which a young person has achieved their qualifications. The Government believe that that is a valid and appropriate way for institutions to broaden access while maintaining excellence, as long as individuals are considered on their merits and institutions' procedures are fair, transparent and evidence-based.

That is not a change from previous good practice; it is what universities and colleges have always done. Many universities already take into account a range of such contextual information in considering whom to admit. The sector has taken steps further to develop its use of such information, and the sector-led supporting professionalism in admissions programme already has as one of its key themes the use of contextual data to support fair admissions. Good practice principles on the use of such data have been developed.

Comments have been made about the proportion of private school pupils who go to university. We have no policy view on the number of privately educated students entering HE. The Government's policy view is that access should be on the basis of merit, irrespective of background. It would be wrong for the Government to suggest that the number of people from private schools going to our universities should be limited, and we have no intention of doing so.

There is no chance of the Government interfering or setting quotas. Our recent guidance letter to the director of OFFA makes that point, stating that universities will select their own performance measures and set out, in their new access arrangements agreed with OFFA, the progress that they expect to make in widening participation and access. The Government are quite clear not only that quotas are undesirable, but that as I have explained, legislation simply does not permit us to interfere in university admissions in such a way.

I am inclined to move to my summary now, although I know the House would like me to speak at greater length. The Government fully support the principle that universities and colleges should admit students based on their academic ability, potential and aptitude, as assessed by the institution in question. That is precisely the aim of the Bill, as my hon. Friend the Member for Christchurch articulated with his usual flair. We believe that his concerns about accessing educational opportunities on merit do not need legislation. I hope that given my firm assurances from the Dispatch Box, he agrees with that, particularly as I have illustrated the legislation that already exists to protect the very interests that he has mentioned.

Chesterton—we have heard too little about him in this debate, have we not?—said:

> "Education is simply the soul of a society as it passes from one generation to another."

In passing on the soul of society, we need always to be conscious of the fact that the relationship between learning and opportunity is profound. It would be inappropriate, but worse than that unethical, for a Government not to focus on how we can spread opportunity as widely as possible. That is one reason why I championed vocational education so vociferously in my time as a shadow Minister and now as a Minister. Many people's tastes and talents will take them down a vocational pathway, which must be as navigable, progressive and seductive as the academic route. Notwithstanding my support for apprenticeships, to which the Government are devoting unprecedented levels of funding, the tastes and talents of many other people from the kind of backgrounds that I come from will take them towards an academic career in a university. Our duty is to ensure that they too get their chance of glittering prizes.

We believe that my hon. Friend's objectives do not need legislation, as I said. We know that good sense and good government demand that universities remain free to make those judgments about their future. Accordingly, while recognising the worth of his intentions and admiring his ambitions, and frankly, being envious of his perspicacity, the Government are bound to oppose the Bill.

1.41 pm

Mr Chope: With the leave of the House, Mr Deputy Speaker, I would like to thank everybody who participated in this debate, which has now extended beyond three hours. This fraught subject commands enormous interest both outside and inside the House, and I hope that as a result of the debate, we have collectively flushed out a bit more of the Government's thinking.

My hon. Friend the Minister, whom I thank and congratulate on his contribution to the debate, identified section 68(3) of the Further and Higher Education Act 1992 as the reason my Bill is not needed. Under that provision, the Secretary of State is not allowed to interfere in the role of universities in deciding their admission policies for students.

On the face of it, that is the end of the matter, but of course, clever Governments try to find alternative means of achieving their objectives. Using the Office for Fair Access, this Government have come up with a clever scheme. They are saying, "We will allow universities to increase their fees to up to £7,500 or £9,000 a year, but we will give OFFA a veto over them if they wish to increase fees beyond £6,000. The veto can be exercised on the basis of advice that the Government give to OFFA."

That is an attempt to control access arrangements. Obviously, the Government can say ultimately, "It's nothing to do with us that university X or Y has decided to increase its fees to £9,000, but in return for the privilege"—as it is seen—"of doing that, there will be restrictions on its ability to admit students purely on the basis of merit." There is a subtle agenda behind that—the policy is designed to put pressure on universities that want to charge the highest fees, and to introduce constraints on their admissions policies, which they cannot freely decide. Whether as a result of intended or unintended consequences, undoubtedly universities that wish to be able to increase their fees to £9,000 a year in exercise of their sovereign power will not be able to do so unless they get the permission of OFFA. However, OFFA will not give permission unless the conditions set out in the regulations are met and complied with. That is why a lot of universities are worried about this meddlesome interference and increased regulation in the system.

During the debate, I was attacked by my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg) for being far too left wing and interventionist. I am prepared to take the criticism on the chin. However, I pray in aid my plea in mitigation, which was in a sense anticipated by my hon. Friend the Member for Shipley (Philip Davies): if there was not already interference by the Government in the freedom of universities to decide their own admissions arrangements, and if they were free to chose the level of fees that they charge without interference from OFFA, there would be no need for this measure. The Bill is a response to the Government's meddlesome regulatory interference in higher education and in the ability of HE institutions to set fees at the level that they want. I accept that criticism, therefore, but my mitigation is that the Bill has been made necessary by the Government's attitude.

When one listens to and analyses what my hon. Friend the Minister has said, and if one reads paragraph 6.1 of the Secretary of State's new guidance to OFFA, it is clear that

> "In the new Access Arrangements, institutions should agree with"

the director of fair access

> "a programme of defined progress each year… The access performance indicators relate to the percentage of students admitted…from state schools or colleges,…from lower socio-economic classes, and…from low-participation neighbourhoods."

What is the purpose of introducing such criteria, if ultimately the Government do not want to interfere in universities' freedom to choose their own students? Ultimately, if we trust our universities—my hon. Friends the Members for North East Somerset and for Shipley made this point—they will come up with the right results, particularly if we set them free, and leave them accountable to themselves, their student bodies and the wider public. We have seen in today's news about the director of the London School of Economics an example of the exercise in practice of such accountability, independence and freedom. There was no interference from the Government. That institution took responsibility for the consequences of its own decisions, and I am sure that that will be widely welcomed.

I am grateful to the hon. Member for Wrexham (Ian Lucas) for his contribution. We agree about a lot of these issues, although perhaps not interviews. My daughter's experience when undergoing interviews for veterinary medicine showed that there is more to going on some of these courses, whether veterinary medicine, medicine or other courses, than academic qualifications alone. Students also have to demonstrate an aptitude, and the people who conduct the interviews are good at identifying that aptitude. For example, an aspiring veterinary or medical student who does not like the idea of going to an abattoir or seeing a dead body is probably not heading in the right direction for their career, however good their exam results. That sort of thing can be found out in an interview, but it cannot necessarily be ascertained on the back of an exam paper.

There is an important role for interviews in the admissions process, but I share the concern expressed by the hon. Member for Wrexham about the delay in putting the higher education White Paper before the people. I share universities' concern about the fact that time is running out if they are to be able to draw up access arrangements so that students can know where they stand in relation to fees and other things from the 2012 academic year.

I hope that, in the spirit of belt and braces, the Bill is given a Second Reading so that it can go into Committee. If, in the end, we find that I am wrong and my hon. Friend the Minister is right, and there is no covert interference in university admissions policies through OFFA, the Bill will be nugatory, but I fear that the Government's agenda, egged on by the minority party in the coalition, is one of interference and trying to achieve social engineering. If one wants evidence to back up that suspicion, I can do no more than cite the fact that the Government are intent on penalising people who pay back their loans early. What could be more ludicrous than that? I hope that the Bill receives a Second Reading.

Question put, That the Bill be now read a Second time.

The House divided: Ayes 3, Noes 33.

Division No. 214] **[1.51 pm**

AYES

Chope, Mr Christopher
Davies, Philip
Reckless, Mark

Tellers for the Ayes:
Mr Philip Hollobone and
Mr Peter Bone

NOES

Brokenshire, James
Browne, Mr Jeremy
Chishti, Rehman
Clark, rh Greg

Coffey, Dr Thérèse
Crabb, Stephen
Davey, Mr Edward
de Bois, Nick
Djanogly, Mr Jonathan
Eustice, George
Freer, Mike
Gauke, Mr David
Gibb, Mr Nick
Green, Damian
Hands, Greg
Harper, Mr Mark
Hayes, Mr John
Hendry, Charles
Hurd, Mr Nick
Lord, Jonathan
Mundell, rh David
Neill, Robert
Paice, rh Mr James
Penning, Mike
Pound, Stephen
Randall, rh Mr John
Rees-Mogg, Jacob
Robathan, rh Mr Andrew
Smith, Miss Chloe
Smith, Julian
Stewart, Bob
Truss, Elizabeth
Webb, Steve

Tellers for the Noes:
Mr Philip Dunne and
Bill Wiggin

Question accordingly negatived.

Graham Jones (Hyndburn) (Lab): On a point of order, Mr Deputy Speaker. The Chief Secretary to the Treasury appears to have made an announcement this morning on seeking a 5p reduction from Europe in the cost of rural fuel. Will you give advice on that, and say whether the Speaker's Office has received representations from the Treasury on the subject?

Mr Deputy Speaker (Mr Nigel Evans): I thank the hon. Gentleman for notice of that point of order. I have not received notification that any statements are to be made today, but I am sure that if Members on the Treasury Bench wished to give such notification, they would do so through the normal channels.

Parliament (Amendment) Bill

Second Reading

2.5 pm

Mr Christopher Chope (Christchurch) (Con): I beg to move, That the Bill be now read a Second time.

This Bill follows on from a ten-minute rule Bill that had the support of the House earlier this Session. Although I say it myself, the timing of this Second Reading is perfect, because it follows Royal Assent being given to the Parliamentary Voting System and Constituencies Bill; the Fixed-term Parliaments Bill is still being discussed in the other place; and the Government have not yet produced their draft Bill on reform of the other place, although they keep saying that such a Bill will be introduced imminently.

My Bill would ensure that the number of people sitting and voting in the other place did not exceed the number of elected Members in this place. As a result of the passing of the Parliamentary Voting System and Constituencies Bill, from the next general election, anticipated to be in May 2015, there will be only 600 Members in this House. That reduction was made not least to save public money. I see no case whatever for the other place having more than 600 unelected Members.

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): I have listened carefully to what my hon. Friend said about the timing of his Bill. He referred to the Government's proposals on House of Lords reform, which are being drafted and which we will publish shortly. Is it not therefore premature of him to have brought forward his proposals about numbers? Given that his Bill has no mechanism for achieving those numbers, would it not be better for him to participate fully in the scrutiny of our draft Bill to achieve the effect that he desires?

Mr Chope: I hope to be able to do that as well. My hon. Friend will not have failed to notice that my Bill would come into force on 1 May 2015, so it is forward looking, like much of the material that I bring before the House. I do not think that his is an adequate objection to the Bill. I hope that the measures in clause 1 will be in the draft Bill that the Government talk about bringing forward; I would have thought it unconscionable for the Government to propose that the other place have more than 600 Members. I hope that, on reflection, my hon. Friend will be prepared to accept clause 1.

Clause 2 deals with the number of Ministers in the House of Commons. Under the House of Commons Disqualification Act 1975, the maximum number is 95. As has been accepted by the Government—this point is supported strongly on both sides of the Chamber and in the other place—if we reduce the number of members of the legislature, we should also reduce the number of members of the Executive; otherwise, the balance between the Executive and the legislature gets out of kilter. Indeed, that was a recommendation of the Select Committee on Political and Constitutional Reform, of which I am privileged to be a member, in our report last October. We said:

> "It is self-evident that a reduction in the number of Members of Parliament will increase the dominance of the Executive over Parliament if the number of Ministers sitting and voting in the

House is not correspondingly reduced. This is a matter of constitutional importance that goes to the heart of the relationship between the Executive and the House."

This very day the Government have responded to the Committee's recommendations. Cmd 7997 states:

> "The Government remains committed to strengthening Parliament in relation to the Executive...We have been clear that we accept the principle that there is a link between the legislature and the size of the executive."

So we are making progress.

Mr Peter Bone (Wellingborough) (Con): My hon. Friend is making a sound argument, which I totally support. May I draw his attention to the business listed for Wednesday 7 September 2011? It includes the Second Reading of my House of Commons Disqualification (Amendment) Bill, which would remove a number of Ministers at a stroke, and they happen to be in the Whips Office.

Mr Chope: I had the privilege of listening to my hon. Friend when he made a very powerful speech introducing that Bill under the ten-minute rule. Nothing in my Bill cuts across or undermines anything in his Bill, which I hope will make swift progress when it comes before the House.

The Government's argument against clause 2 of my Bill is given in paragraph 91 of today's Command Paper:

> "There is no immediate need to resolve this issue, since the provisions relating to a reduced number of MPs will not take effect until 2015. The Government therefore intends to reflect on the arguments made during the passage of this Bill"—

the Parliamentary Voting System and Constituencies Bill—

> "and set out its plans once there is greater clarity on the composition of the second Chamber, including how many Ministers could be drawn from there."

It seems as though the Government are moving in the same direction, but clause 2 of my Bill would be a bit more of a nudge in that direction. I hope that my hon. Friend the Minister will be able to confirm that the matter will be resolved during this Parliament. I certainly remain concerned about that.

Mr Andy Slaughter (Hammersmith) (Lab): The hon. Gentleman is right to say that the Government and now the Boundary Commission are pressing on speedily with reviewing the legislature. Indeed, the Boundary Commission has, also today, published its new electoral quotas and confirmed the numbers of seats for each of the countries in the United Kingdom. It has also said that it intends to produce its provisional recommendations this autumn. Does the hon. Gentleman agree that if the Government are pressing on so quickly with the reduction in the legislature, they should at the same time look at the Executive?

Mr Chope: I agree with the hon. Gentleman completely. This is very important because we do not want the issue of how large the Executive will be to be left to the Executive to decide after the next general election. I think that the balance between the size of the Executive and the size of the legislature should be for the legislature to decide. If we are to have a smaller legislature, we need to impose a smaller Executive well in advance of the next election.

Mr Bone: Is not one danger of having a smaller number of MPs to scrutinise the Government while also having an ever-increasing Executive that there will be more and more demand from people to split the powers and take the Executive out of the House of Commons? That would be a wrong move, but it is a danger because of the direction in which the Government are heading.

Mr Chope: As so often, my hon. Friend is probably on to a good point; one can almost read between the lines of the Command Paper to which I referred, which seems to suggest that the Government might increase the number of Ministers in the other place as a quid pro quo.

We need to put limits on the number of Ministers in this House. I suggest 80. At present, the maximum is 95. If we can have a leaner civil service and public sector, we can also have a leaner Government in terms of the number of Members who hold ministerial office, so I commend clause 2 to the House.

Clause 3 deals with Parliamentary Private Secretaries. At present, there is no limit on their number. Bearing in mind that they are used as lobby fodder, have responsibilities to their Ministers and are appointed by the Prime Minister and that if they step out of line by so much as supporting one of my Bills on a Friday their career as a PPS is at an end, we should give them recognition in statute and limit their number. I suggest that

> "no more than 25 persons being the holders of the office of Parliamentary Private Secretary shall be entitled to sit and vote in the House of Commons at any one time."

That would be roughly one PPS to each Secretary of State, which would be more than ample.

The provision would not stop the Government doing what they do at the moment, which is to appoint people who are not given the title of Parliamentary Private Secretary; they are advisers, deputy chairmen or vice-chairmen of the party or they have a special responsibility in this or that Department—all part of the patronage system. The Bill would not stop that, but it would at least prevent the number of Parliamentary Private Secretaries from increasing as it is at the moment. A side-effect of my proposal is that we would have to put on the public record who the Parliamentary Private Secretaries are and where they are; at the moment, that information is not easily available.

Clause 4 deals with ministerial office in the other place, to try to ensure that we do not end up with a bloated Executive there after any reforms that may be introduced. Although the Parliamentary Secretary, Cabinet Office, tells us that there will be a draft Bill, who would be so bold as to put their money on its being enacted before the next general election? I suspect the odds might be similar to those on Ireland beating England at cricket the other day.

Clause 4 is important because the provision that states that

> "Not more than 10% of those persons who are entitled to sit and vote in the House of Lords at any one time shall be the holders of Ministerial offices"

will apply even if there has been no reform of the other place before the next general election. I thought 10% was a generous quota; if there were 600 Members, there would be a maximum of 60 Ministers in the other place.

[Mr Chope]

Of course, there is no point in limiting the number of Ministers if we cannot also limit the number of Parliamentary Private Secretaries in the other place, so clause 5 would provide that not more than 3% of those

"who are entitled to sit and vote in the House of Lords at any one time shall be holders of the office of Parliamentary Private Secretary."

This is a short, straightforward, easily understood and transparent piece of legislation.

Mr Bone: I think my hon. Friend is about to reach a conclusion. Before he does so, will he tell us whether he has had a letter of support for the Bill from the Prime Minister? The measure is entirely in line with the Prime Minister's very powerful speech of 26 May 2009—"Fixing broken politics".

Mr Chope: I have not got a copy, but I am sure that if we give the Minister a chance to speak he will quote from the Prime Minister's letter of support. I am sure that the Prime Minister is on our side. We are members of the legislature; he is, for the time being, the leader of the Executive, but he recognises the importance of the legislature having a bigger role in holding the Executive to account, and the Bill is designed to achieve that.

2.25 pm

Mr Andy Slaughter (Hammersmith) (Lab): It is a great pleasure to speak to the Bill, which has many interesting features and merits. It originates in its recent form from a new clause that was proposed to the Parliamentary Voting System and Constituencies Bill. *[Interruption.]* Yes, it is now an Act. I am being heckled already, which does not bode well for the rest of these proceedings.

Many of my right hon. and hon. Friends and I voted for that new clause, which was moved by the hon. Member for Broxbourne (Mr Walker) on 25 October last year. Speaking for the Opposition on that occasion, my hon. Friend the Member for Rhondda (Chris Bryant) said:

"if the Government plan to cut the number of seats in the House of Commons and do not plan to cut the number of Ministers, surely that will increase the influence of the Government—the Executive—over Parliament. I wholeheartedly support the argument that the hon. Member for Broxbourne (Mr Walker) made this evening."

Indeed, he added quite eloquently that

"if we are going to cut one group, we should cut the other. That is entirely in line with the new clause."—[*Official Report*, 25 October 2010; Vol. 517, c. 114-117.]

Unfortunately, despite the assistance of the hon. Member for Christchurch (Mr Chope) and a number of his colleagues, that new clause was defeated by 241 votes to 293, and it led the next day to his proposing his ten-minute rule Bill, in which he commented on the Government's attitude towards the new clause and, indeed, his Bill. I found it quite distressing to read that he talked about his hon. Friends who supported the new clause being

"dragged away to the Whips Office to be dealt with."

I am glad that that sort of thing would never happen in the Labour party.

I realise that the Bill would go further than the original new clause, but the spirit of that new clause is in the Bill. If changes are to be made to the legislature—we strongly disapprove of those changes—it is only right that we address the issue of the Executive at the same time, and I note in reading the Library paper on limiting the number of Ministers and the size of the payroll vote that, over the past 13 years, Government Members have made several attempts to do so. Whether it is significant that they made those attempts when they were in opposition I do not know, but they include figures as illustrious as the current Secretary of State for Work and Pensions.

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): While the hon. Gentleman is developing his point, will he include in his remarks the view that the Labour party took when it was in government about those attempts to shrink the Executive?

Mr Slaughter: The Minister is tempting me, and we only have relatively few minutes left. I am sure that the House would wish to hear the Government's response to the hon. Member for Christchurch, so I will not go through the list of attempts and Bills and the response to them, as I am not sure whether that would profit us much. I thought that it would be uncontroversial to say that the hon. Gentleman is following an honourable tradition of Government Members who have addressed this issue. I, like him, would be surprised if the Minister does not warmly welcome the Bill and, indeed, say that it has the Prime Minister's support.

This certainly is not the time to revive the discussions about the Parliamentary Voting System and Constituencies Act 2011, save to say that the basis of that shoddy constitutional legislation and compensatory gerrymander was a tawdry deal done between the Liberal Democrats and the Conservatives when they asked, "How many seats are we getting off you? How many seats are we going to take off them?" But that Bill had, as all such pieces of cloak and dagger legislation are likely to have, consequences, whether intended or unintended. When the boundary commissions for the four constituent countries publishes their target seats, excepting the little favours being done to Liberal Members in the north of Scotland and Conservative Members in the Isle of Wight, it is likely that we shall have reduced numbers, and the necessary measures for that are to be rushed through in great haste, so it seems only fair and logical that the issue of the Executive is addressed at the same time.

I referred to the speech that the hon. Member for Christchurch made on his ten-minute rule Bill on the subject, when he alluded not only to the overall reduction in the legislature—that is, this House—but to the plans by the Government to go on increasing the number of Conservative and Liberal Democrat peers. By the hon. Gentleman's estimation, that would mean that it was the coalition's

"policy to increase the number of Members of the House of Lords by no fewer than 250, which is absolute lunacy"—[*Official Report*, 26 October 2010; Vol. 517, c. 201-204.]

Again, it is a method of increasing by unstraightforward measures the influence that a party or parties have in the two Houses. From the Opposition's point of view, that seems to be grossly unfair, and the consequences should be addressed.

I could go on a lot longer, but in view of the time, I shall allow the Minister to start his remarks, although I expect that he will not finish them today. It would be useful for him to say why he would not be prepared at least to allow the Bill into Committee so that we could have an open discussion about the power, the role and the size of the Executive, as he and his colleagues forced the House to have about the legislature.

2.27 pm

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): I congratulate my hon. Friend the Member for Christchurch (Mr Chope) on bringing this Bill, as well as the Further and Higher Education (Access) Bill, before the House on one Friday. Thinking back to the time when he and I were in opposition, I do not remember him being as keen for private Members' Bills to make progress as he is when his own name is attached to them. I seem to remember that he was keen for them to make little progress.

The speech from the hon. Member for Hammersmith (Mr Slaughter) was probably the shortest Friday speech that I have ever heard from him. He used to wax lyrical on Fridays.

One of my hon. Friend's key points in his opening remarks on the Bill was how widely those views were shared. I note that his Bill has 11 supporters on both sides of the House. I looked carefully around the House as my hon. Friend was setting out his case. He may correct me if I am wrong, but I did not manage to spy a single one of the 11 supporters of the Bill who had troubled themselves to attend the House today to lend their support in person. My hon. Friend the Member for Wellingborough (Mr Bone) is looking at me askance, but I look carefully at the names on the Bill and I do not see his name among them.

Mr Bone: I and other Members were eager to sign our names to the Bill, but unfortunately there was no space. We would probably have had about 100 names on it otherwise.

Mr Harper: I take my hon. Friend's point, but if he is correct—I have no reason to think otherwise—about the incredible support for the Bill, it is surprising that of the 11 Members who beat him in getting their names attached to the Bill, none of them have troubled themselves to be here. Given that my hon. Friend has taken the trouble to be present, he might want to have a conversation with some of those who supported the Bill.

Mr Chope: Is that my hon. Friend's best point?

Mr Harper: No. Those were simply my opening remarks. I have many excellent points of substance, to which I shall now turn.

I will start by picking up on the points that my hon. Friend made on these exact subjects during the progress of the Parliamentary Voting System and Constituencies Act 2011. He started very generously by referring to the number of Ministers in this House and accurately quoted the Government's view, which is that we had said—

2.30 pm

The debate stood adjourned (Standing Order No. 11(2)).

Ordered, That the debate be resumed on Friday 28 October.

Business without Debate

EPILEPSY AND RELATED CONDITIONS (EDUCATION AND HEALTH SERVICES) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 11 November.

SECURED LENDING REFORM BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 10 June.

PARLIAMENTARY STANDARDS (AMENDMENT) BILL

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Friday 18 March.

False Self-employment Status

Motion made, and Question proposed, That this House do now adjourn.—*(Stephen Crabb.)*

2.30 pm

Mr Chuka Umunna (Streatham) (Lab): Before starting my speech, I should declare an interest: before being elected to this august House, I practised for more than half a decade as an employment law solicitor, and advising on these issues was very much my bread and butter. I thank the GMB union, of which I am a member, and UCATT, a construction workers union, which I am proud to say is headquartered in my constituency, for providing me with valuable information and assistance in my preparation for the debate. I also thank the fine national newspaper, the *Daily Mirror*, which is running an excellent ongoing campaign against false self-employment. It, too, has been most helpful.

At the outset, I ought to explain for the record what I mean by self-employment. The law makes a distinction between contracts of employment and contracts for service: in the former, the individual is, obviously, employed, and in the latter they are not. There is no set test in law for an employment relationship to exist—I know this because it has created a huge amount of litigation that has kept my profession in practice for some time.

The courts take into account a number of factors, some of which are given more credence than others. First, of particular importance are features in the relationship that are consistent with there being employment—for example, an obligation on the individual to do the work personally and exclusively and the obligation on the employer to pay wages. Secondly, the degree of control exercised over the worker by the other contracting party is also quite significant—for example, control over when, how, where and to what standard the service is provided. Finally, one factor that has become increasingly important is the mutuality of obligation between the contracting parties; there is an obligation on the employer to provide work and on the worker to do it.

Why does this all matter? It is hugely important, because employment is an individual's passport to a plethora of protections and rights that have been put in place over the years to afford people protection in our market-based economy so that it works in a more balanced way, not just for the rich and powerful, but for everyone. Many of those rights and protections were introduced at the behest of the Labour movement. When people talk down our trade unions in this country, they would do well to reflect on how they have helped deliver for working people over the decades.

Some of the key rights and protections include the right to claim unfair dismissal; the right to a redundancy payment; the right to maternity, paternity and parental leave, which various Prime Ministers have taken advantage of in the past couple of Parliaments; the right to a minimum period when leaving employment; and the right to protection on the insolvency of an employer, which has been particularly relevant during the recent recession. I cannot emphasise enough just how important these rights and protections are—I know that from practising employment law—but many people take them for granted.

In my experience, the majority of employers running businesses do not wish to deprive employees of the rights and protections that I have discussed, yet one attraction for employers, in avoiding the employment relationship, is that they as an employer avoid all the accompanying obligations. Furthermore, financially, if they avoid the employment relationship, they avoid having to pay employer's national insurance.

Admittedly, there are employees who seek to avoid employment, and historically some have sought to do so to avoid paying income tax, but in my experience they are very much the exception to the rule. What is becoming clearer by the day is that we in this country have a problem with a substantial minority of employers falsely declaring their staff to be self-employed to avoid their obligations to them. That is why I call it false self-employment. Others refer to it as bogus self-employment, but I do not like the phrase, which is why I prefer to refer to it as false self-employment.

The problem is particularly pronounced in the construction industry, and I know that partly through practice, I suppose, but also through the information and evidence that UCATT has given to me. About 50% of construction workers are self-employed in this country, about twice the proportion of workers in the construction industries of other western industrialised countries. In fact, self-employment in construction in this country is between two and three times higher than that in any other advanced country's building industry, including in the famously flexible US labour market. UCATT estimates that about half of those employed in construction in this country—possibly up to 1 million workers—are in false self-employment.

Other sectors in which false self-employment features highly include retail, cleaning and aviation, and in factory and agricultural workplaces. Last year, the previous Government estimated that the Exchequer could be losing up to £350 million in taxes as a result of such practices. In fact, research by the university of Essex suggests that that is a gross underestimate. It thinks that in reality the fiscal loss is far in excess of £1 billion per year, and that is extremely relevant in the context of the Government and hon. Members on both sides of the House wanting to reduce our public sector debts.

Let me give just one example: Ryanair. I have no doubt that many Members will have travelled on a Ryanair flight. I have, and perhaps I should not go into my other views on the airline, but the *Daily Mirror* reports that up to half of Ryanair's pilots are not on the staff roll but are hired by an agency called Brookfield Aviation International, based in Epsom, Surrey. One self-employed pilot there tells of how he spends all the 900 hours that he is legally allowed to fly for Ryanair in the cockpit, how he works when he is told to, and how he has to take holiday when the airline lets him, but the company treats him as self-employed, and he says that he is afraid to challenge that state of affairs, because in his words:

> "If you rock the boat you can be shown the door."

A more widespread example, which we see all around us whenever we are out and about in London, is that of courier drivers. Daniel, who goes under a different name in the Fair Work Coalition's paper on the issue, which I urge the Minister to read, is one such courier. He is married with two children, and until his job finished abruptly he was a driver for a courier firm making deliveries throughout the UK. He was dependent on the firm for his vehicle, and the company dictated the hours that he worked, but he was told that he was self-employed and responsible for his own tax and national insurance. His hours were long, unpredictable and unsociable, and he was often paid at well below the minimum wage rate that he was promised.

There is so much that I could go over, because this is a massive topic, but I do not have the time. I should be grateful, however, if the Minister could respond to a few questions. Generally, what is the Government's approach to the issue? What is their assessment of the current situation, and what action, if any, are they willing to take to end false self-employment in Britain today?

More specifically, in relation to the enforcement action that Her Majesty's Revenue and Customs takes against employers seeking to avoid their tax and PAYE obligations as I have described, the Exchequer Secretary to the Treasury said in answer to a parliamentary question in January that HMRC employs just 39 employee status inspectors. Given the scale of the problem, surely that number has to be increased drastically. I imagine that the extra revenue would more than cover the associated costs of doing so. If the Government had that extra revenue, perhaps they would not have to impose all their austerity measures. Does the Minister agree?

The previous Government consulted on proposals to introduce legislation so that workers in the construction industry would be deemed to be in receipt of employment income for income tax and national insurance purposes, unless certain criteria were met. Will the Government take forward those proposals? If not, why not?

The previous Government set up the Gangmasters Licensing Authority in 2005 to protect and enforce workers' rights in the agricultural, horticultural and shellfish industries. Its functions include ensuring that false self-employment in those sectors does not proliferate. Are the Government prepared to explore an expansion of the remit of the Gangmasters Licensing Authority to include other industries such as construction?

Many people think that the employment agency standards inspectorate, which exists to protect agency workers, is an inefficient regulator. What is the Government's view of that, and what action will they take on the matter?

This issue is of such importance because many of those who are forced into false self-employment work in low-paid professions and need the protection and rights that are afforded by employment. Many of those people are my constituents. It is also in the interests of businesses, in particular small and medium-sized enterprises, to clamp down on this practice, because false self-employment gives an unfair competitive advantage to businesses that disregard their PAYE and national insurance obligations by engaging workers in this way. Of course, there is a corresponding disadvantage for businesses that properly engage their workers and employees.

Before I wrap up, I want to say something to the Minister. When discussing almost any issue, Government Members and Ministers raise the point with Labour Members that the previous Government did not take sufficient action in a certain area. Although the previous Government achieved a lot, I will not pretend that they fully resolved this issue before losing power. However, I think the Minister will agree that what my constituents and working people up and down the country who are listening to this debate will want to know is what the coalition Government who are now in power will do about this problem. I urge this Government to get a grip of the situation.

2.42 pm

The Parliamentary Under-Secretary of State for Business, Innovation and Skills (Mr Edward Davey): I thank the hon. Member for Streatham (Mr Umunna) for raising this important issue. Like him, I think it is important that we debate this matter, so I congratulate him on securing the debate.

I make it clear to the hon. Gentleman and to the House at the outset that the Government do not condone false or bogus self-employment. If an individual is wrongly categorised as self-employed when they are a worker or an employee, it has implications for the individual, the employer and the Exchequer, as the hon. Gentleman explained. As self-employed people effectively pay a lower rate of tax and national insurance, and because engagers pay no employers' national insurance, there will always be those who try to present an employment relationship as self-employment.

The terms and conditions of any employment should reflect the reality of the employment relationship. The true economic activity undertaken by an individual should determine how they are taxed. Those who are working under employment terms should be taxed as such. That ensures that people receive the appropriate employment rights and contributory benefit entitlements, and that they pay the right tax and national insurance. It is not a matter of making a choice about someone's employment status; their status should reflect the reality of the relationship between the parties.

Employers should be aware that anyone who incorrectly treats a worker as self-employed is liable for that worker's tax and national insurance contributions, and may be liable to penalties. An individual worker can also pursue a claim for employment rights through an employment tribunal or an enforcement body, as appropriate.

Of course, there is guidance on employment status in relation to tax on the website of Her Majesty's Revenue and Customs, and guidance on employment rights on the direct.gov and Business Link websites. The direct.gov website includes pen pictures of key groups, to help people understand their own status. We have also made information and guidance available through the ACAS helpline. I believe that greater awareness of obligations, penalties and rights for both workers and employers is the best mechanism to avoid abuse, along with an effective enforcement regime.

I think the hon. Gentleman will agree that it is for businesses to decide the most appropriate arrangements for engaging workers. The Government should not promote a particular approach but should ensure that they have the right enforcement mechanisms in place.

Mr Umunna: I completely agree with the Minister's points about public awareness of the issue. One of my questions to him should have been what the Government were doing about that, and I am encouraged by what he has said.

[Mr Umunna]

In practice, I was aware of the existence of much of what the Minister has talked about, but I found that clients often were not. Will the Government consider advertising in newspapers and magazines and on the television the information that is available? Although it exists, I believe there is a lack of awareness of where it is.

Mr Davey: I have to say that people who want to find it can find it very easily, but I think some people may want to avoid finding it. Indeed, that was the message of the hon. Gentleman's speech. There is great availability of information—I have mentioned a number of websites, but there are other sources of information for people to turn to. I agree with him, however, that raising awareness is important.

It is essential that we do not lose sight of the fact that legitimate self-employment is a key part of the UK labour market. I know that the hon. Gentleman does not disagree with that. Nearly 4 million people in the UK are self-employed, which reflects the UK's tradition of entrepreneurship. The legal and institutional features of the UK, including its competitive markets and employment framework, have delivered diversity and dynamism in the labour market, which allows more people to find a job that suits them. That has contributed to the UK having higher employment, at 70.6% of the total working-age population, than most other OECD countries, whose average is 64.8%, and still lower unemployment, at 7.8% compared with an 8.6% OECD average.

Like all other forms of employment, self-employment consists of a wide variety of individuals with a range of activities and capacities. The spectrum ranges from individuals working for themselves to people running multinational businesses and employing a substantial number of employees. The self-employed are not generally covered by employment legislation, because they are their own boss. They do, however, benefit from key protections such as the right to work in a healthy and safe environment and protection under discrimination legislation. The rights and responsibilities of the self-employed are governed by the terms of their contract with their client or customer.

Self-employed people are usually identified by the fact that they are in business for themselves and provide a service to multiple clients. They are generally more independent workers than others, and they have far greater control over how and when to deliver a service and who delivers it. They are usually better able to protect their own commercial interests, although they bear any financial risk from the business that they operate.

A self-employed person must register with the tax authorities, submit an annual tax return and account for their own tax and national insurance payments. The hon. Gentleman will be aware of such requirements from his previous work. Taxation is clearly a matter for the Treasury and HMRC, but as I said earlier, any employer who incorrectly treats a worker as self-employed is liable for their tax and national insurance contributions. If they do not meet those liabilities, they could be subject to penalties. That is the law at the moment, and it is a strong one.

I hope that the hon. Gentleman accepts that the Government recognise that false self-employment exists—it is difficult not to do so. As I think he said, in July 2009 the previous Government undertook a consultation, through the Treasury and HMRC, on the problem in the construction sector, to which it is considered particularly relevant. Officials are currently in the process of reporting back to Treasury Ministers, so I do not have an announcement for the hon. Gentleman, but I know that those Ministers are examining the matter.

The hon. Gentleman asked whether the Government should extend the Gangmasters Licensing Authority to cover construction. We had a long debate a few months ago on the Gangmasters Licensing (Extension to Construction Industry) Bill, which the hon. Member for Midlothian (Mr Hamilton) promoted as a private Member's Bill, in which I explained to him that the Government did not think that such an extension was a good idea. Licensing bodies should be considered only when certain conditions are met. There must be evidence that existing regulation is inadequate and evidence of significant abuses of employment rights; confidence that the licensing system would be a proportionate and effective way of tackling the problem; and any scheme must be practical, enforceable and affordable. In that long debate, I set out why the proposals for extending the GLA to the construction industry did not meet any of those key conditions.

The hon. Member for Streatham suggested that the employment agency standards inspectorate is not seen as an effective regulator, but I think it does a good job—it is a key part of regulatory safeguards. Employment agencies, as other businesses, must comply with the national minimum wage regulations, which are rigorously enforced by HMRC. As an indication of that, I can tell him that in 2009-10, HMRC identified more than £4.4 million in arrears for more than 19,000 workers. It is making full use of new penalty powers to fine businesses that are in breach of the regulations. In the first 10 months of this financial year, HMRC issued 761 penalty notices, which is an average of 76 each month—HMRC is playing its role.

Employers must adhere to the special employment agency regulations enforced by the employment agency standards inspectorate of the Department for Business, Innovation and Skills, which both responds to complaints from agency workers and undertakes proactive, risk-based inspection, increasingly in partnership with HMRC. The agency has powers to prosecute and prohibit individuals from running agencies. Since April 2010, nine individuals have been prohibited from doing so, and more cases are in the pipeline. The regulatory framework, therefore, is active and working, and it is bringing bad employers to book.

Mr Umunna: The Minister spoke of my request for the remit of the GLA to be extended to cover construction. I sense from his comments that there is a problem in that industry. If he accepts that the status quo is not particularly satisfactory—he has made the Government's position on extending the GLA's remit clear—what does he propose to do about that industry?

On HMRC, does he think that 39 inspectors are sufficient given the scale of the problem? Will he expand on the Government's assessment of that? Does he think that the £350 million fiscal loss estimate given by the previous Government is correct, or does he believe that it is a gross underestimation, as many trade unions do?

Mr Davey: When we debated the extension of the GLA to the construction sector—I urge the hon. Gentleman to read the *Official Report* for that debate—I explained and set out how there had been an awful lot of health and safety and other improvements in the construction industry. I am aware that false employment status in the industry is seen as a problem—that is why the Treasury is considering responses to the earlier consultation—but I believe that extension of the GLA would be disproportionate given that record of improvement.

Let me be clear, however, that the Government are not complacent—further improvements to the EASI and other enforcement bodies are possible—which is why I announced, as the hon. Gentleman may be aware, a review of the Government's workplace rights compliance and enforcement arrangements. I want to establish what further scope there is to streamline such arrangements and make them more effective. The arrangements for enforcing the national minimum wage and the 48-hour average week are within the scope of the review, along with employment agency regulation and gangmaster licensing. I expect to publish a statement of initial findings and intended next steps later this year in the context of the rolling employment law review that I am co-ordinating on behalf of the Department.

The hon. Gentleman asked about the number of inspectors focused on employee status, and referred to a parliamentary answer given by the Exchequer Secretary to the Treasury, my hon. Friend the Member for South West Hertfordshire (Mr Gauke) in which he noted that there were 39 employee status inspectors. However, we need to be clear about where they fit in to the overall compliance regime. HMRC status inspectors provide technical support in more complex cases to a larger number of HMRC compliance staff, who are responsible for reviewing whether employers have complied with their tax and national insurance obligations. It is wrong, therefore, to see the status inspectors by themselves. In addition, technical support is available to both HMRC staff and employers via the online tool, the employment status indicator. One needs to see those 39 inspectors in that context.

I congratulate the hon. Gentleman on raising this issue, and I can assure him that we take it very seriously: the Treasury takes seriously the loss-of-tax issues, on which he rightly focused, and BIS takes seriously the employment rights issues, which is why we are reviewing workplace rights compliance and enforcement arrangements. I know that, with his experience and knowledge, the hon. Gentleman will continue to contribute to this debate. I welcome that, because we have very similar objectives.

Question put and agreed to.

2.56 pm

House adjourned.

House of Commons

Monday 7 March 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

HOME DEPARTMENT

The Secretary of State was asked—

Immigration System

1. **Dr Thérèse Coffey** (Suffolk Coastal) (Con): What steps she plans to take to decouple temporary residence from permanent settlement in the immigration system. [44040]

The Secretary of State for the Home Department (Mrs Theresa May): The Government have pledged to break the link between temporary migration and permanent settlement. Settling in Britain should be a privilege to be earned, not an automatic add-on to a temporary way in. We have already announced that we will introduce a new permanent limit on non-EU economic migrants, with a reduction in the number of visas in the next financial year from 28,000 to 21,700, a fall of over 20%. The Government will consult later this year on breaking the link between work and settlement.

Dr Coffey: My constituents are largely concerned not about people who work here temporarily, but about people who work here for a short time and then can settle permanently. Is there not a case for a review of the criteria for permanent settlement, to try to avoid this kind of practice?

Mrs May: I am grateful to my hon. Friend for her supplementary question. We will review the entire question of permanent settlement including the criteria for it as part of our review of the whole immigration system. We will make announcements on that shortly, but I can tell my hon. Friend that we have already tightened the settlement criteria in April, by introducing, for example, a new criminality threshold so all applicants must be clear of unspent convictions when applying, a new income requirement for skilled and highly skilled migrants applying for settlement, and reform of the English language requirements.

Paul Flynn (Newport West) (Lab): Regardless of whether applicants are applying for temporary or permanent residence, and of whether they have friends in high places, should we not restrict the admission of foreigners convicted of paedophilia offences?

Mrs May: I understand where the hon. Gentleman is trying to lead his question. Of course there are rules on that offence in relation to exclusions from the United Kingdom. Decisions on exclusions are taken by the Home Secretary on the basis of evidence put forward by the UK Border Agency.

Mr James Clappison (Hertsmere) (Con): On temporary residence, is it not clear that under the Government's plans students are welcome to come and study in this country, and, indeed, should be made welcome? However, is it not part of the inheritance of this Government that large numbers of people have used the study route as a means of coming to the country to work, rather than to study? Will my right hon. Friend give me an assurance that this Government will bear down on bogus students and bogus colleges who abuse the system?

Mrs May: I am grateful to my hon. Friend for his question, and I am happy to give him precisely that assurance in relation to the stance this Government are taking. It is perfectly clear from the figures that, sadly, all too many people have used the student visa route as a means simply of coming to the UK to work. There are some very good examples of colleges that exist in name only, such as the college that had two lecturers covering 940 students. I hope there is cross-House agreement that that sort of abuse must be stopped, but we do want to ensure that legitimate students wanting to study legitimate courses at legitimate institutions come here.

Ian Lucas (Wrexham) (Lab): Is it the Home Secretary's intention to scrap identity cards for foreign nationals, and if so, how will that assist in preventing individuals who are here on visas from overstaying?

Mrs May: The answer to the hon. Gentleman's question is no: the biometric residence permits will continue.

Local Crime and Policing Website

3. **Oliver Colvile** (Plymouth, Sutton and Devonport) (Con): What representations she has received from members of the public on the local crime and policing website. [44042]

The Minister for Policing and Criminal Justice (Nick Herbert): Since its launch on 31 January, our street level crime mapping website police.uk has received almost 400 million hits. The website is a strong example of this Government's commitment to greater transparency in public services, by giving communities the information they need to hold their local police to account.

Oliver Colvile: I have received a number of positive comments on the crime website maps. Does my right hon. Friend have any plans or initiatives to add anything more to them?

Nick Herbert: Yes, the Government intend to build on the information currently given. There are six trailblazing police forces looking at how this can be done, including Lincolnshire police and West Yorkshire police, who are looking at how we might supply sentencing outcome information so the public know not only that the crime was committed, but what happened afterwards in the criminal justice system.

Toby Perkins (Chesterfield) (Lab): In the interest of transparency, will the Minister consider adding to the value of the mapping crimes website by including figures on the dozens of police who will not be on the streets because of the huge cuts his Government are imposing on our police forces?

Nick Herbert: Oh dear, the hon. Gentleman has missed the point. If he looks at the website police.uk, he will see that the neighbourhood policing teams are shown alongside the area in which the individual lives. Every force up and down the country is committed to protecting neighbourhood policing, and those officers will remain on the streets for the public as savings are made in the back and middle offices.

Antisocial Behaviour

4. **Mrs Helen Grant** (Maidstone and The Weald) (Con): What plans she has to assist police forces to tackle antisocial behaviour. [44043]

15. **Gavin Barwell** (Croydon Central) (Con): What plans she has to assist police forces to tackle antisocial behaviour. [44054]

18. **Lorraine Fullbrook** (South Ribble) (Con): What plans she has to assist police forces to tackle antisocial behaviour. [44057]

The Parliamentary Under-Secretary of State for the Home Department (James Brokenshire): The Government recently launched a consultation on reforming the toolkit for dealing with antisocial behaviour. The proposals will reduce the bureaucracy, delay and cost that hamper the police and their partners. We are also working to help police forces improve their service to victims by, for example, supporting eight police forces in trialling a new approach to handling calls on antisocial behaviour.

Mrs Grant: Does my hon. Friend agree that community partnerships and statutory partnerships are key in dealing with antisocial behaviour?

James Brokenshire: My hon. Friend makes an important point. The nature of antisocial behaviour means that the main emphasis in tackling it lies with the police, because much of this behaviour is crime, but other partners, such as community safety partnerships, play an essential role. We support that and it is recognised in the toolkit for civil orders. We have stripped away some of the bureaucracy that got in the way of getting those partners to do the job that they are needed to do.

Gavin Barwell: May I encourage my hon. Friend to liaise with police authorities about deploying safer neighbourhood teams on the basis of places, not artificial ward boundaries, as such an approach would allow coverage to extend into the crucial evening period, when a lot of antisocial behaviour takes place?

James Brokenshire: There are certainly operational issues associated with the tasking of safer neighbourhood teams. I know from my hon. Friend's constituency the importance and emphasis that the Mayor of London places on those teams. I am sure that he will have heard clearly the message that my hon. Friend has sent about the importance of discretion at the operational level.

Lorraine Fullbrook: What can be done to engage young people early in order to prevent their engaging in antisocial behaviour?

James Brokenshire: The issue relating to young people and antisocial behaviour is important. It is also worth recognising that most victims of antisocial behaviour are young people themselves. The Government are focused on intervening early: the early intervention grant, which is worth about £2.2 billion, will support activities to help young people start off in a positive way. Clearly, young people can be victims of antisocial behaviour, which is why it is important that we take action early to prevent it in their communities.

Alun Michael (Cardiff South and Penarth) (Lab/Co-op): Does the Minister accept that in dealing with adults involved in neighbourhood nuisance, low-level violence and intimidation, antisocial behaviour orders have been an invaluable part of the toolkit? Will he give an assurance that they will continue to be available to police and local authorities seeking to reduce antisocial behaviour?

James Brokenshire: The right hon. Gentleman will be aware that we are consulting on a new toolkit, whereby the tools are reduced in number to five core ones. The problem is that ASBOs have been used less and less and the number of breaches has increased. We are clear about the need for civil orders, which is why we are consulting on the new powers. They are better tailored and will ensure that the civil standard of proof is used to make the orders easier to obtain. They will also be able to put in place positive requirements to break patterns that may lead to antisocial behaviour and crime.

Kerry McCarthy (Bristol East) (Lab): In Bristol, the police have made very good use of the antisocial behaviour legislation—the acceptable behaviour contracts and ASBOs—to tackle kerb crawling and on-street prostitution, which blights the lives of many residents of the Eastville area of my constituency. Can the Minister assure the House that any replacement for the current antisocial behaviour legislation will continue to give the police the powers to tackle this problem?

James Brokenshire: I am grateful to the hon. Lady for highlighting that specific example and I hope that her community will take part in the ongoing consultation on the new toolkit, which will last until the middle of May. We are clear that the existing powers remain in place until such time as a new regime is introduced, but we are very focused on it being practical, supporting communities and having the effect that people want it to have in bearing down on antisocial behaviour and the crime that can lead from it.

Vernon Coaker (Gedling) (Lab): Can the Minister confirm that more than 10,000 police officers, many of whom are in neighbourhood teams tackling antisocial behaviour, will be cut over the next two years? The Thames Valley police force, which covers the constituencies of the Prime Minister and the Home Secretary, said the following about possible local youth centre closures:

> "the loss of those services would mean more opportunities for young people to get involved in crime and antisocial behaviour".

So with cuts to front-line policing and youth services across the country, how exactly does the Minister expect his rebranded, weaker version of the ASBO to maintain progress in combating antisocial behaviour?

James Brokenshire: I do not accept that this is some sort of weaker tool. There is going to be a more effective suite of tools with which to bear down on antisocial behaviour. Let us not forget that it was the last Labour Home Secretary who suggested that the previous Government had in some way been coasting on antisocial behaviour. My right hon. Friend the Home Secretary has reminded me that Thames Valley police has said that it will be protecting neighbourhood response teams. It is also worth highlighting that the Mayor of London recognises the importance of safer neighbourhood and community teams and of delivering on the antisocial behaviour agenda.

Tom Brake (Carshalton and Wallington) (LD): I do not know whether the Minister has seen "Minority Report" in which precogs predict where and when serious crimes are going to occur, but will he assess a less futuristic and more practical technique that has been advocated by Peter Neyroud, the ex-chief of the National Policing Improvement Agency, and by the Cambridge Institute of Criminology, which could cut reoffending and antisocial behaviour? The technique flags up the criminals who are most likely to reoffend, thereby allowing resources to be concentrated on them and halving prisoner numbers, saving money and improving public safety in the process.

James Brokenshire: I am not sure whether Philip K. Dick is bedtime reading for Peter Neyroud, but certainly the whole idea of prevention and acting earlier is very much at the heart of the consultation in which we are engaged on antisocial behaviour. I am certainly clear about the role of prevention and the need to act early in breaking patterns of offending before people become too engaged. I will certainly look at the research to which he refers.

Mr Speaker: I call Rachel Reeves. Not here.

Illegal Immigration

6. **Mr Edward Leigh** (Gainsborough) (Con): What further steps she plans to take to control illegal immigration; and if she will make a statement. [44045]

The Minister for Immigration (Damian Green): UK Border Agency enforcement officers are continuing to crack down on immigration crime and remove illegal migrants. Our proposals to tackle abuse by foreign nationals using student visas to gain work in the UK, alongside new plans to toughen up marriage and family routes, will further tackle illegal migration into the UK.

Mr Leigh: As Members of Parliament, we are approached all the time by constituents who want to marry somebody from abroad and it is only humane and right that we should try to help them, but our job is made doubly, even trebly, difficult by the existence of sham marriages. What is my hon. Friend doing to tackle the problem without making the system so bureaucratic for everyone else?

Damian Green: My hon. Friend identifies one of the key loopholes that did exist in the immigration system. Last summer, I asked our enforcement teams to focus on sham marriages, and 53 sham marriage operations were undertaken, resulting in 126 arrests. Between November and January, a further 86 operations followed that up, focusing on sham marriages, with an additional 29 arrests. This has been one of the big loopholes in our immigration system, but we are becoming ever more effective in closing it.

Mr Ben Bradshaw (Exeter) (Lab): In seeking to strike the right balance on student visas, will the Minister and the Secretary of State give the House an assurance that they will listen carefully to the representations of universities in the UK, including mine in Exeter, and of our reputable language schools, which say that the current proposals would be devastating to their sector and to the economy as a whole?

Damian Green: We are indeed speaking to many universities and listening to their representations, and my right hon. Friend the Home Secretary has met the vice-chancellor of Exeter university. I am sure that when our proposals are put forward, universities will discover that they defend the rights of legitimate students to come here to study legitimately at legitimate institutions. At the same time, we will also crack down on the huge and widespread abuse of the student visa.

Mr Philip Hollobone (Kettering) (Con): Which three countries are responsible for the largest number of illegal immigrants into Britain and what specific steps are being taken with those countries to take those people back when they are caught?

Damian Green: By definition, illegal immigrants do not go through the system, so it is quite difficult to give accurate figures about where they come from, but we know the main routes by which people come into the country, one of which is from Asia, through Turkey into Greece. We are working very hard with both the Greek and Turkish Governments to stop that route and minimise the problem. One of the most effective things we are doing is improving our border controls at Calais, which mean that the number of people who are identified as coming across illegally into Britain is now running at about a third of the level it was 18 months ago. That is a significant strengthening of our border defences.

Shabana Mahmood (Birmingham, Ladywood) (Lab): Any action to control illegal immigration depends upon a properly staffed and effective border agency which can both detect and remove illegal immigrants. With cuts of 20% and job losses of 5,200 for the UK Border Agency, detection and enforcement officers are already warning that their work is being undermined. The Government are talking tough on illegal immigration. Is the Minister sure that the Home Secretary has given him the resources to deliver?

Damian Green: Yes, absolutely. The hon. Lady will, of course, recognise that the reason there must be cuts in public services is the appalling state of the public finances that her Government left us with. We are confident that by using technology, better intelligence and flexible working, we can maintain and improve levels of border security with fewer staff. I invite her to consider the example of Calais. We can now check 1.5 million lorries a year, and in the past year we have found just over 9,700 individuals trying to cross illegally, compared to just over 29,000 in 2009, so the new system that we are operating does work.

Police Forces (Paperwork)

8. **Claire Perry** (Devizes) (Con): What steps she is taking to reduce the burden of paperwork on police forces. [44047]

9. **Mark Lancaster** (Milton Keynes North) (Con): What steps she is taking to reduce the burden of paperwork on police forces. [44048]

The Secretary of State for the Home Department (Mrs Theresa May): The Government are committed to reducing bureaucracy. We are scrapping the stop-and-account form, and reducing the amount of information to be recorded on the stop-and-search form. Doing those two things saves up to 800,000 man-hours a year. We are returning certain charging decisions to the police. That will save up to a further 50,000 man-hours per year. We are working with the police to sweep away a further range of the red tape that prevents officers doing what they and the public want them to do—getting out on the streets and cutting crime.

Claire Perry: Is my right hon. Friend aware that in the past 14 months the Wiltshire police force has undergone four separate inspections by Her Majesty's inspectorate of constabulary lasting three working weeks and costing the force £60,000, and no meaningful recommendations have been made as a result? Does she intend to reform this box-ticking regime to cut the burdens of police bureaucracy and paperwork still further?

Mrs May: I was not aware of the specific figures for Wiltshire. I realise that this is an issue. That is why the Policing Minister has been working with HMIC on reducing the bureaucratic burdens of the inspection regime by ensuring that we maintain an effective inspection regime, and he will inform the House on this matter in due course.

Mark Lancaster: I commend my right hon. Friend on her efforts to improve on the just 11% of time that the police are visible to the general public, but may I press her on what actions she will take to reduce the unnecessary amount of time that police officers spend in court, especially as delays continue to be endemic?

Mrs May: I am grateful to my hon. Friend for raising an important issue. In looking at saving police time so that they can do the job that we want them to do, we need to look across the whole of the criminal justice system. That is what I am doing, together with the Justice Secretary, the Attorney-General and the Policing Minister, who is also a Minister in the Ministry of Justice.

Keith Vaz (Leicester East) (Lab): I welcome the Home Secretary's commitment to reducing police bureaucracy. As she knows, in October last year Jan Berry published her report and made 32 recommendations. How many of those recommendations have now been implemented? Will the Home Secretary continue Jan Berry's term of office so that this is not just a one-off piece of research, but a continuing monitoring of the bureaucracy in our police service?

Mrs May: Jan Berry did a valuable piece of work looking at bureaucracy in policing. We have already implemented a number of the recommendations that came out of that. I have referred to the restoration of some charging decisions down to local police, the more proportionate approach to inspections, and revising the police performance development reviews. We are taking the work forward in a slightly different way. There is a programme board led by Chris Sims, the chief constable of west midlands, which is working with the Home Office and identifying further areas of bureaucracy that can be scrapped.

Police Numbers (Greater Manchester)

11. **Jim Dobbin** (Heywood and Middleton) (Lab/Co-op): What estimate she has made of the likely number of police officers in Greater Manchester in March 2015. [44050]

The Minister for Policing and Criminal Justice (Nick Herbert): It is a matter for the chief constable and the police authority to determine the number of police officers that are deployed by Greater Manchester police within the available resource.

Jim Dobbin: Crime levels went down under the previous Government. That is a well known fact. The chief constable of Greater Manchester estimates that around 1,500 officers will be lost because of the cuts. Can the Government justify that?

Nick Herbert: I should point out to the hon. Gentleman that there are also 4,000 police staff working in Greater Manchester police. There was a huge increase in the number of police staff employed by police forces under the previous Government. The chief constable of Greater Manchester police said in evidence to the Home Affairs Committee that

> "there was already a recognition, certainly in Greater Manchester Police, that some of our headquarters operations had got too big."

Forces can and must make savings in back and middle offices while protecting the front line.

Tony Lloyd (Manchester Central) (Lab): The Minister has not really responded to the real issue on this. Will he tell the House unequivocally—and repeat his view—that when we see the number of police officers reduced in Greater Manchester, as we will, it will have no impact on crime?

Nick Herbert: We are absolutely determined to maintain efficient and effective forces, and every chief constable I meet, including the chief constable of Greater Manchester, makes the same point. The chief constable said last week, after being misquoted on the matter:

> "We need to have an intelligent debate about the cuts and see the opportunities, not just the threats."

Clive Efford (Eltham) (Lab): The Government insist that it is possible to cut 10,000 police posts nationally, and up to 1,500 in Manchester. I should point out to the Minister that they also plan to cut nearly 1,600 back-office staff. We know from an answer that Baroness Neville-Jones gave in the House of Lords that there is no formally agreed definition of front-line police services. If those are not cuts to front-line police services, we would like to know what they are. Can the Minister get to the Dispatch Box and tell us exactly what the definition of police front-line service is, because if he cannot, how can he protect them?

Nick Herbert: I have defined it on a number of occasions, including in a written answer. Let me repeat it for the hon. Gentleman: front-line policing

"includes neighbourhood policing, response policing and criminal investigation."—[*Official Report*, 8 February 2011; Vol. 523, c. 194W.]

There can be savings in the back and middle offices, as at least a third of all spending is in those areas. If he thinks that there is no definition of front-line policing, how can he be so confident that there will be cuts in the front line? His position is nonsense.

Immigration Bail Conditions

12. **Richard Fuller** (Bedford) (Con): If she will bring forward proposals to change immigration bail conditions to make them consistent with proposed conditions for control orders. [44051]

The Minister for Immigration (Damian Green): The Government see no need to review the range of bail conditions that may be imposed in immigration cases. We will continue to seek bail conditions that enable us to manage the threat posed by the individual. These will vary from case to case.

Richard Fuller: I hear that answer, but how can it be right that the Special Immigration Appeals Commission is able to impose conditions on people, perhaps those who have been granted indefinite leave to remain, on charges that are not disclosed to them, that restrict their communications and movement and force relocation, conditions that the Government say are unacceptable in control orders? How can that be right for people in those circumstances?

Damian Green: SIAC deals primarily with cases where an individual poses a threat to national security, so we must take all the issues surrounding those individual cases extremely seriously. As such, SIAC sets bail conditions that it considers necessary to control any risk of absconding and the threat posed to national security, whether or not the individual absconds. I am sure that my hon. Friend will recognise that SIAC has enormous responsibilities and takes them very seriously in each individual case.

Dr Julian Huppert (Cambridge) (LD): I agree with the question from the hon. Member for Bedford (Richard Fuller). Will the Minister go one step further than is being suggested and make both immigration bail conditions and the conditions for control orders more like regular bail conditions?

Damian Green: My hon. Friend will recognise what I have just said about SIAC, which you will be pleased to hear that I will not repeat, Mr Speaker. The conditions for immigration bail and for control orders, and for the regime that will replace control orders, have rather different surrounding contexts than the setting of normal bail conditions, so it is entirely reasonable for SIAC to come to different conclusions and have different powers.

Student Visas

13. **Mr Steve Brine** (Winchester) (Con): What plans she has for the future of the student visa entry system. [44052]

The Minister for Immigration (Damian Green): We are considering the responses we received following closure of the recent consultation on reform of the student immigration system, which closed on 31 January. We are concluding our analysis of responses and will announce future plans for the student system in due course.

Mr Brine: I thank the Minister for his reply. May I press him to reassure legitimate English language schools, such as the Winchester School of English in my constituency, which he has visited, and higher education institutions, including the university of Winchester, that new B2 English entry level requirements will not wipe out a critical source of their respective revenues?

Damian Green: My hon. Friend is right: I have visited that language school in his constituency and admired its work. One proposal in the consultation was to raise the English language requirement from B1 to B2, because we believe it is right that students should have a good command of English to complete their course. In responses to the consultation, universities and others have expressed concern about that proposal, and we are considering those representations as well as the many others that we have received.

Nic Dakin (Scunthorpe) (Lab): Does the Minister recognise that, if the changes to student visa entry requirements are wrong, it will have a devastating impact on our universities and other educational institutions?

Damian Green: I recognise, as I am sure the hon. Gentleman does, that we need to strike the right balance so that the brightest and best students can come to this country and benefit it both in the short and the long term. At the same time, however, we recognise that we need to crack down on the many abuses of the student visa system under the previous Government, which have led to the widespread lack of confidence in our immigration system. Of course we need to strike a balance between those two demands, and we are confident that we will do so.

Bob Russell (Colchester) (LD): May I suggest to the Minister that all he has to do to deal with the unintended consequences of the proposals is to look at the findings and recommendations of the Home Affairs Committee in the previous Parliament? All problems would be dealt with.

Damian Green: It is a universal truth that reading Home Affairs Committee reports always leads to greater enlightenment. I have read the relevant report, and I always absorb the Committee's reports, but I will redouble my efforts to ensure that I am familiar with every last detail of every report.

Mr Gerry Sutcliffe (Bradford South) (Lab): We all agree with the Home Secretary that bogus colleges should be closed, and most seem to be in the private sector. She and the Immigration Minister will know that further education colleges' fee income from foreign students is £42 million, with a contribution to the economy of £80 million. We have 184 colleges that are registered as highly trusted sponsors, with more than 20,000 international students. When can they expect to know what will happen about non-degree courses? It does and will affect the budgets not only of colleges, but of universities.

Damian Green: The hon. Gentleman is right that the main abuse that we have found has been in private sector colleges at below-degree level, which is why one principal proposal on which we have consulted is that nobody will be able to offer a course at below-degree level unless they become a highly trusted sponsor. The hon. Gentleman will be aware that, on the whole, public sector bodies that apply for highly trusted sponsorship obtain it successfully, but many private sector bodies do not have such status, and that is one key distinction that we need to maintain—that only people whom we can trust to do the job properly should be enabled to bring foreign students to this country.

Police (Complaints)

16. **Simon Hughes** (Bermondsey and Old Southwark) (LD): What assessment she has made of the trends in levels of complaints against police forces in England and Wales in the most recent period for which figures are available; and if she will make a statement. [44055]

The Secretary of State for the Home Department (Mrs Theresa May): The police complaints statistics for 2009-10, published by the Independent Police Complaints Commission, show an 8% increase in recorded complaints against the police in England and Wales over the previous year. It is right that citizens should feel able to hold the police to account for the service they provide, and improving police accountability is a top priority of this Government.

Simon Hughes: I am grateful to the Home Secretary. May I raise a matter that I have raised with the authorities before, which is about the practice of kettling, first, at the G20 demonstrations, then at the student demonstrations last autumn and, even, on new year's eve, when dealing with crowd control? Does she have any further thoughts that she can share with the House on how the increasing number of complaints about the practice can be dealt with in an effective and long-term manner?

Mrs May: Of course, within the Police Reform and Social Responsibility Bill, we are putting forward some proposals to enhance the complaints procedure against the police, and we have been doing that work in consultation and discussions with the IPCC. I am sure that my right hon. Friend will also be interested to know that the senior officer in the Metropolitan police with responsibility for public order has recently made several announcements about how containment will be dealt with in future, making it clear that, should containment take place, toilets and water will indeed be provided, and that an individual will be available on site to ensure that those who are vulnerable or wish to leave are able to leave such areas.

Human Trafficking

19. **Andrew Selous** (South West Bedfordshire) (Con): When she plans to announce the outcome of her review of human trafficking policy. [44058]

The Parliamentary Under-Secretary of State for the Home Department (Lynne Featherstone): Combating human trafficking, including the sexual exploitation of women and girls, is a key priority for the Government. We are committed to tackling organised crime groups who profit from this human misery, and to protecting victims. We are due to publish our new strategy on human trafficking in the spring.

Andrew Selous: Will my hon. Friend make sure that the review deals with trafficked children who are placed in local authority care, where one would hope they would be safe, only to go missing and often to be re-trafficked? That is an appalling state of affairs. I hope that she can give me some reassurance that the review will deal with this very distressing aspect of trafficking in the United Kingdom.

Lynne Featherstone: Yes, the Government acknowledge the difficult and important issue of children going missing from local authorities. At a national level, we are strengthening the arrangements in place to support vulnerable young people by placing the national strategic policing responsibility for missing children within the Child Exploitation and Online Protection Centre. In fact, its thematic review deals explicitly with the issue of trafficked children going missing from local authorities.

Fiona Mactaggart (Slough) (Lab): But does the Minister agree that if we were to adopt the European directive on human trafficking, which specifically provides for a guardian for trafficked children, that would be a real step in protecting the children to whom the hon. Member for South West Bedfordshire (Andrew Selous) referred?

Lynne Featherstone: At the moment, local authorities are, in particular, employing good practice around the use of interpreters and making sure that the places where children are placed are kept secret. As I may have mentioned before in this House, we are looking closely at the text of the European directive and considering its merits, and if we conclude that opting into it would benefit the UK, we will apply to do so.

Police Numbers (Crime Levels)

*20. **Owen Smith** (Pontypridd) (Lab): What research her Department has commissioned and evaluated on any relationship between numbers of police officers and levels of crime. [44059]

The Minister for Policing and Criminal Justice (Nick Herbert): The Government believe that police forces can make savings while protecting the front line. We do not accept that reducing costs will cause an increase in crime. What matters is how resources are used and how officers are deployed.

Owen Smith: The Minister will know that in south Wales we have already seen the announcement that 250 front-line police officers will lose their jobs. When I attended a meeting a couple of weeks ago with our police authority, it warned that a further 320 front-line officers could lose out as a result of the cuts. Is the Minister seriously telling the people of Wales that crime will not increase as a result of that enormous loss in front-line policing capacity?

Nick Herbert: I do not accept that the reductions in head count in that police force or in any other will impact on the front line, and I very much doubt that the chief constable would agree with that. I remind the hon. Gentleman of what the Home Affairs Committee concluded in its recent report:

> "We accept that there is no simple relationship between numbers of police officers and levels of crime. The reduction in the police workforce need not inevitably lead to a rise in crime."

That is a cross-party Committee.

Miss Anne McIntosh (Thirsk and Malton) (Con): I entirely agree with my right hon. Friend that this is about how police forces are deploying their officers. In North Yorkshire, we have a particular problem with rural crime. I would be most grateful if he would meet me and other rural Members to discuss this issue. Farms and farm property, in particular, are being trashed because we simply do not have enough cover in rural areas.

Nick Herbert: I would of course be happy to meet my hon. Friend to discuss the issue. I understand the importance of dealing with crime in rural areas just as we must deal with crime elsewhere. The police cannot act alone, and it is very important that there are effective partnerships with, for instance, the farming community so that, where possible, there can be a concerted effort to deal with this problem.

Human Trafficking

21. **Emma Reynolds** (Wolverhampton North East) (Lab): When she plans to announce the outcome of her review of human trafficking policy. [44060]

The Parliamentary Under-Secretary of State for the Home Department (Lynne Featherstone): I refer the hon. Lady to the answer I gave some moments ago.

Emma Reynolds: In September, in defending the Government's failure to opt into the European Union directive, the Prime Minister said:

> "We have put everything that is in the directive in place."—[*Official Report*, 15 September 2010; Vol. 515, c. 873.]

At the same time, he implied that the directive is not in our national interest. Is it not the case that it is both squarely in our national interest and goes beyond the measures that we already have in place? Will she therefore take the opportunity of the 100th anniversary of international women's day to commit to this House that the Government will sign up to the European directive when they get the opportunity?

Lynne Featherstone: I thank the hon. Lady, but not for the first time I repeat that we are looking at the directive's text and considering its merits. If we conclude that opting into the directive will benefit the UK, we will consider doing so.

Mr Peter Bone (Wellingborough) (Con): The question refers to the date on which the new policy on human trafficking will be announced. I congratulate the Government on recognising the need to change the policy, but may I urge a big society solution? While the policy is being considered and drafted, perhaps the key non-governmental organisations could be involved in co-operating—not just consulted—so that the overall policy is a big-society solution.

Lynne Featherstone: I thank my hon. Friend. Indeed, the Minister for Immigration met those organisations recently and I have no doubt that we will take that forward. Our common-sense and extensive strategy will try to prevent trafficking in the country of origin, do more on the border to stop it coming in and, if it is in this country, do more with policing.

Asylum Improvement Project

22. **Mr Jim Cunningham** (Coventry South) (Lab): What recent discussions she has had with stakeholders on the asylum improvement project. [44061]

The Minister for Immigration (Damian Green): The Home Secretary and I, and our officials, have discussed aspects of the asylum improvement project with a number of corporate partners. The National Asylum Stakeholder Forum, the Scottish Asylum Stakeholder Forum and the Still Human Still Here coalition have also discussed the project recently.

Mr Cunningham: I thank the Minister for that answer. Will he establish pilot schemes and where exactly are they likely to be?

Damian Green: We have established a number of pilot schemes already. There is one in the north-west concentrating on using early intervention to help asylum claimants. We have set up the early legal advice project in the west midlands, and a project to attempt to improve the flow of decision making in London. If those pilots are successful, we will of course move them on to a national scale.

Mr Speaker: Angela Smith is not here so I call Tony Baldry.

Student Visas

25. **Tony Baldry** (Banbury) (Con): What plans she has for the future of the student visa entry system. [44064]

The Minister for Immigration (Damian Green): I refer my hon. Friend to the answer I gave some moments ago.

Tony Baldry: This morning, I met a young Chevening scholar from Iraq who is studying for an MSc in engineering and robotics at Sussex university. He is hoping to go back to his country to make a contribution when he has completed his degree course. Will my hon. Friend confirm that we want as many overseas students like that young man as possible to come to the UK, because they enrich our university life and take the skills and knowledge that they acquire back to their home countries when they complete their courses? Will he confirm that while seeking to achieve that, we also want to bear down on the abuses of sham institutions that have been set up to bring about immigration abuses?

Mr Speaker: I think the hon. Gentleman is gearing up for an Adjournment debate on this subject. I do not know why he gave such a full question, but it was very helpful and we are grateful to him.

Damian Green: As ever, I agree completely about the helpfulness of my hon. Friend's question. He presents the House with an extremely good example of what should happen, in that a foreign student came here to learn on a high-quality course and to develop skills that he can take back to his country. As is crucial, he is planning to leave at the end of his course. That is precisely the sort of thing that benefits our university system and brings confidence in the immigration system. What does not do that is students coming here and simply staying. Published information shows that of the students who came here in 2004, more than 20% were still here five years later in 2009. That is the kind of thing that we must investigate, to establish whether those people are still genuine students or are just exploiting the system to work in this country.

Steve McCabe (Birmingham, Selly Oak) (Lab): Last week, the Minister for Universities and Science told the Home Affairs Committee that he wanted foreign students to come to this country, but admitted that he found Government policy in the area "fuzzy". The Select Committee was told on the same day by the Minister of State, Foreign and Commonwealth Office, the hon. Member for Taunton Deane (Mr Browne), that he wanted a cut in immigration but an increase in the number of students coming from Latin America. What exactly is the Government's policy on the future of the student visa entry system?

Damian Green: Under the student visa scheme, we want good students to come here to study genuine courses at genuine institutions. Under the previous Government, of whom the hon. Gentleman was such a distinguished supporter for so long, the student visa system became the single biggest loophole in an already chaotic immigration system. That is why we are having to deal with it. It is significantly the biggest route of immigration into this country—about 60% of visas are issued for students. That is why it is so important that this Government get a grip on the failures of the previous Government.

Mr Speaker: We are immensely grateful to the Minister.

Topical Questions

T1. [44065] **Simon Danczuk** (Rochdale) (Lab): If she will make a statement on her departmental responsibilities.

The Secretary of State for the Home Department (Mrs Theresa May): The Home Office is committed to protecting the public and to freeing up the police to fight crime more effectively and efficiently. The House will shortly consider the remaining stages of the Police Reform and Social Responsibility Bill, which is aimed at empowering the public to hold the police to account for their role in cutting crime, before it moves to consideration in another place. Tomorrow, Tom Winsor will publish the first part of his independent review of police pay and conditions, which will help to ensure that police forces can protect jobs and keep officers on the streets.

Simon Danczuk: Will the Secretary of State join me in praising Greater Manchester police, Rochdale council staff and community mediators who managed an English Defence League demonstration in Rochdale this weekend extremely effectively? It was clearly shown that Rochdale residents stayed away from the protest and that our town has no appetite for the EDL.

Mrs May: I am very happy to join the hon. Gentleman in paying tribute to the work of the Greater Manchester police and the professionalism that they showed in dealing with the EDL march that took place in Rochdale at the weekend. It is in keeping with responses from police forces up and down the country to such marches. I understand that the policing operation was a success and that the demonstration took place with minimum disruption. I also join the hon. Gentleman in paying tribute to the work of not only the local authority but the Rochdale community and the approach it took to ensure that the protest was largely peaceful and that there was co-operation, tolerance and restraint from community leaders.

T2. [44066] **Annette Brooke** (Mid Dorset and North Poole) (LD): With many councils claiming cuts in their Supporting People grants, what action will the Government take to monitor the provision of vital services, and what leadership will they give in providing services nationally?

The Minister for Equalities (Lynne Featherstone): I thank my hon. Friend for that question. Central Government have sent a clear message about the importance and vulnerability of the sector. To send that message and set an example, we have ring-fenced £28 million of funding for violence against women services. We hope and expect that councils will follow suit.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): Last week, the Home Secretary confirmed to the House that under her new arrangements, someone who is barred from working with children could still get a job as a voluntary teaching assistant without the school or the parents knowing that they were barred. Now that she has had a few days to think about it and about how concerned parents will be, has she changed her mind?

Mrs May: I think what matters for parents is the decisions that are made about individuals who play any part in dealing with their children, in a school or any other setting. As I made clear to the right hon. Lady last week, information that informs the decisions on barring will be available as part of the check that I would expect employers to make in such circumstances. We have a simple view: employers must take some responsibility for ensuring that they make the appropriate checks and judgments about who should be involved in dealing with children.

Yvette Cooper: The right hon. Lady said last week that employers would get "exactly the same information" as the barring authorities. However, Home Office officials have told some people in the charities something rather different. Will she therefore confirm whether employers will be given "exactly the same information" as the barring authorities? If so, why not give them the barring authorities' expert recommendation about whether someone should be barred? Parents want to know that the teaching assistant in their child's classroom has not been previously barred by the experts from working with children. Safeguarding children is too important to have such loopholes. I urge her to listen to the experts and think again.

Mrs May: Of course safeguarding children is important—we all have that as top priority. Of course, the regime that is in place will in future cover those who deal with vulnerable adults as well as children. That is important. The information that informs a decision on barring will be available as part of the check so that a decision can be made. However, as the right hon. Lady has raised a query about that, I am happy to write to her with the detail on it so that she will have that to inform her questions in future.

T3. [44067] **Richard Fuller** (Bedford) (Con): On a similar theme, law-abiding volunteers and employees in Bedford and Kempston are quite fed up with having to get a new Criminal Records Bureau check each time they change jobs. Can the Home Secretary tell me how those checks will change to avoid that ridiculous duplication that so debilitates so many volunteers and employees?

Lynne Featherstone: My hon. Friend raises a very important point. Many people write to me about the problem of having a new CRB check on each occasion. The new system will make the check portable. An employer will be able to go online to see whether an individual, who will have a unique number, ever had any information on them and whether anything has changed since they first had a check. That will make the whole system simple and quick, which will encourage volunteering, which is part of the purpose.

T4. [44068] **Nick Smith** (Blaenau Gwent) (Lab): Given media reports that police patrols are being scaled back because of the price of fuel and that Gwent police spend £4 million on their car fleet, including fuel, what action are the Government taking to help our local police officers to keep their patrols on the road?

The Minister for Policing and Criminal Justice (Nick Herbert): I am not sure whether the hon. Gentleman's question is about fuel prices, which are not a matter for me, or taxation, or patrols. I repeat, however, that we are committed to working with police forces to maintain, and indeed to improve, the visibility and availability of police officers on patrol by making savings elsewhere in police forces.

T8. [44072] **Julian Smith** (Skipton and Ripon) (Con): At this difficult economic time, what steps is the Minister taking to make it as straightforward as possible for British businesses to take on highly skilled foreign workers, albeit under the auspices of the immigration cap?

The Minister for Immigration (Damian Green): As my hon. Friend knows, we are introducing a new system for tier 1 and tier 2 for work-based visas, and at the same time we are speeding up the visa both for businesses and for more general visitors. The biggest single complaint has been about the delays in the issuing of visas. I am happy to assure him that we are concerned about that. We are already beginning to see improvements, so that in many of the key markets where we need to operate our visa system is working better than ever before, and we are meeting our service standards.

T5. [44069] **Fiona Mactaggart** (Slough) (Lab): When responding to an earlier question on the trafficking strategy, the Under-Secretary of State for the Home Department, the hon. Member for Hornsey and Wood Green (Lynne Featherstone), said that it would include elements of prevention, action on the border and policing. Does she recognise that a very important element of any anti-trafficking strategy is victim care, and that victim care is usually provided by voluntary organisations? The hon. Member for Wellingborough (Mr Bone), the chair of the all-party group on human trafficking, spoke of a big society solution. Can we have a big society participation in the anti-trafficking strategy?

Lynne Featherstone: I think we would encourage the big society to get involved at all levels, but as the hon. Lady says, victim care is extremely important. We are providing accommodation and advocacy and all the things that are necessary to help the unfortunate victims of trafficking out of their terrible situation.

Mr David Ruffley (Bury St Edmunds) (Con): The previous Government's figures demonstrate that only one hour in seven was spent on patrol by the average patrol officer. Given the Government's anti-bureaucracy reforms, will the Home Secretary advise us on her view of the number of hours the average patrol officer will spend on the beat?

Mrs May: We are absolutely clear, as my right hon. Friend the Minister for Policing and Criminal Justice said in response to a previous question, that we want the visibility and availability of police officers to increase and improve. The latest figures from Her Majesty's inspectorate of constabulary show that 11% of officers are visible and available at any one time—*[Interruption.]* Before we get chuntering from Opposition Members, that is not to say that other police officers are wasting their time—of course they are not—but visibility and availability need to improve.

T6. [44070] **Mrs Linda Riordan** (Halifax) (Lab/Co-op): Hundreds of my constituents have signed a petition supporting the reopening to the public of Sowerby Bridge police station. Will the Minister urgently consider the matter, because it is at the very heart of the community and would play a huge role in preventing and tackling crime in the area?

Nick Herbert: We do not directly control whether police stations are open—that is a matter for the chief constable and the police authority—but there are other ways in which the police can improve their visibility to the public. For instance, they can set up bases in supermarkets. It is not just about buildings; they can also share facilities with other organisations. However, these are matters for chief constables to decide as they find effective ways to be visible in their communities.

Duncan Hames (Chippenham) (LD): In the past six weeks, the Minister for Immigration has answered about 50 statistical questions from Members, including me. I say "answered", but in two thirds of these cases, it was not possible for him to provide sound information, either because the data were not recorded or because they were not quality assured and may not have withstood typical audit scrutiny. What assessment has he made of the quality of management information in the UK Border Agency?

Damian Green: I am not sure that my hon. Friend is exactly right. Where an answer makes it clear that the information is management information, it simply means that the data are not Office for National Statistics-quality statistics. However, those answers will include statistical information, even though it might be slightly rough and ready, precisely because I am determined, when we have the information available, to make it available to hon. Members as part of the Government's commitment to transparency.

T7. [44071] **Chi Onwurah** (Newcastle upon Tyne Central) (Lab): Northumbria police force is losing more than 1,000 jobs, including 300 front-line police. As a result, young recruits promised a job last year have now been told that those jobs are no longer available. What guarantee, therefore, can the Secretary of State offer to the people of the north-east that crime will not rise as a result of the cuts? Furthermore, how can she reassure those who have worked so hard to win a job that they will be prioritised—

Mr Speaker: Order. One question must be enough, because other people are waiting.

Mrs May: I refer the hon. Lady to the response given by the Minister for Policing and Criminal Justice to an earlier question on this matter. The Government have made it absolutely clear that there is no simple link between levels of crime and the number of police officers. Indeed, that view has been supported by a report from the Select Committee on Home Affairs.

Paul Maynard (Blackpool North and Cleveleys) (Con): Will the Minister responsible for antisocial behaviour assure me—in relation to the review he will be conducting—that when antisocial behaviour is aggravated by the victim's disability, it will be taken into account when considering the severity of the disposal?

The Parliamentary Under-Secretary of State for the Home Department (James Brokenshire): I am grateful to my hon. Friend for highlighting this issue, which is at the heart of the call handling pilots launched at the start of the year to identify vulnerability, and to ensure that there is better join-up between the police, local authorities and the health service in order to ensure that where there are specific issues, they are identified more speedily and more effectively. Bullying and intimidation linked to disabilities are utterly reprehensible and unacceptable, and the system needs to improve to identify where these problems are occurring.

T9. [44073] **Tom Greatrex** (Rutherglen and Hamilton West) (Lab/Co-op): Will the Minister inform the House of when his Department intends to review the current definition of an air weapon under the Firearms Act 1968?

James Brokenshire: The hon. Gentleman will be aware that the Home Affairs Committee has produced its report on firearms generally. We are still considering the issue and will respond to the report in due course.

Amber Rudd (Hastings and Rye) (Con): Residents of Hastings and Rye warmly welcome the additional information from the crime and policing website, but is the Home Secretary aware of the additional service it provides to women who may be coming home late at night and might feel vulnerable? That is particularly important ahead of international women's day tomorrow.

Mrs May: My hon. Friend makes an extremely valid point. I am pleased to tell her that I was able to join the Prime Minister in meeting a group of readers from *Company* magazine recently who were raising exactly the problems of women walking home at night. I was able to point them to the crime maps as a useful tool.

T10. [44074] **Ian Lavery** (Wansbeck) (Lab): Will the Minister confirm that the police officers working in Northumbria force's public protection units dealing with serious crime such as child abuse and domestic crime are classified as front-line police officers?

Nick Herbert: Yes.

Chris Skidmore (Kingswood) (Con): This morning I attended the opening of the Kingswood one-stop shop, which includes a fixed police presence. It is the first time that the police have had a base in Kingswood since the previous Government closed the local police station. Will the Minister commend South Gloucestershire council and Avon and Somerset police for their collaborative working to ensure that front-line services are protected, and further consider how police authorities and local councils can work together to ensure that services are shared for public benefit?

Nick Herbert: I thank my hon. Friend. That provides a very good example of innovative ways of working that can increase the visibility of policing, and the co-operation between the police force and other agencies provides a perfect example of the way we need to go.

Paul Goggins (Wythenshawe and Sale East) (Lab): When asked to justify the cuts to policing in Greater Manchester, the Minister for Policing, and Criminal Justice said that cuts could be made to the back office. May I tell him that at least 1,600 police staff are being made redundant in Greater Manchester on top of the 1,377 uniformed officers? I ask him again how he can justify that.

Mrs May: We are looking to police forces first and foremost to take cuts in the back office, but that is not just about individuals; it is about improving procurement and collaborating with other forces to make savings. Significant sums of money—hundreds of millions of pounds—can be saved by better procurement, better IT services and collaboration between forces.

Greg Mulholland (Leeds North West) (LD): It is clear from my own experience of Leeds Rhinos and its legal firm Chadwick Lawrence that the current immigration system for foreign international sports people is inherently biased against rugby league players. Will the Minister meet me and representatives of the Rugby Football League to look at the criteria, so that this problem—

Mr Speaker: We would be even more grateful for a reply so that we can move on.

Damian Green: I would, of course, be happy to be enlightened about the immigration system as it affects rugby league.

Libya and the Middle East

3.31 pm

The Secretary of State for Foreign and Commonwealth Affairs (Mr William Hague): With permission, Mr Speaker, I would like to update the House on developments in Libya and the middle east since the Prime Minister's statement on Monday 28 February.

Members on all sides of the House will be concerned by the violence in Libya. The Gaddafi regime is launching military counter-attacks against opposition forces. There has been intense fighting in the east and centre of the country along the coastal strip between the opposition-held Ras Lanuf and the Gaddafi stronghold of Sirte. There are credible reports of the use of helicopter gunships against civilians by Government forces and unconfirmed reports of a helicopter and jet shot down over Ras Lanuf. There have also been serious attacks against the cities of Zawiyah and Misrata in the west by soldiers backed up by anti-aircraft guns and by tanks. Many of those taken to the city's hospital, including a young boy of 10, have wounds to the head, neck and chest; and supplies of food, fuel and medicines have been all but cut off.

In Tripoli, there have been disturbing reports of hostage taking and large military deployments around the city designed to consolidate Gaddafi's position and intimidate his opponents. His forces remain in control of Tripoli, Sabha and Sirte, but his authority is contested in large swathes of the country where local tribes have withdrawn their support. There is a clear risk of protracted conflict and an extremely dangerous and volatile situation in large parts of the country.

Our position is that Colonel Gaddafi must put an immediate stop to the use of armed force against civilians and hand over power without delay to a Government who recognise the aspirations of the Libyan people and are more representative and accountable.

On 5 March, opposition groups in the east formed an interim national council based in Benghazi. Ministers and FCO officials are in contact with members of this council, who welcomed the idea of a British diplomatic mission to Libya. This engagement is vital in gaining a better understanding of the political, military and humanitarian situation on the ground.

Last week, I authorised the dispatch of a small British diplomatic team to eastern Libya in uncertain circumstances, which we judged required protection, to build on these initial contacts and to assess the scope for closer diplomatic dialogue. I pay tribute to that team. It was withdrawn yesterday after a serious misunderstanding about its role, leading to its temporary detention. This situation was resolved and it was able to meet council president, Mr Abdul-Jalil. However, it was clearly better for this team to be withdrawn. We intend to send further diplomats to eastern Libya in due course.

The safety of British nationals in Libya remains an important priority. Since the Prime Minister's statement, the UK military have undertaken a further two evacuation operations from the port of Benghazi, with HMS Cumberland and HMS York both evacuating British nationals and foreign citizens. In total, we have evacuated more than 600 British nationals from Libya, as well as nationals from many other countries. I hope that the House will join me in paying tribute to all those involved. We are aware of about 180 British nationals still in Libya, some of whom—including some journalists—have told us that they currently intend to stay. We continue to provide assistance and information for those who wish to leave. We are also working with other countries to isolate the regime, and to ensure that anyone responsible for abuses or contemplating further crimes knows that there will be a day of reckoning.

On Thursday, the chief prosecutor of the International Criminal Court announced his investigation of alleged crimes in Libya, following referral by the UN Security Council. We welcome that swift action, and will do all that we can to assist. We also welcome the important decision by the UN General Assembly, following referral by the UN Human Rights Council, to suspend Libya's membership of the council. European Union sanctions on Libya came into full force last Thursday. That was the quickest-ever delivery of an EU sanctions package, and it goes beyond the sanctions imposed by the UN. It includes an arms embargo on Libya, and an assets freeze and visa ban on Gaddafi and 25 of his associates—strong foundations on which we can build.

As my right hon. Friend the Prime Minister said, we are making contingency plans for all eventualities in Libya. NATO has been tasked to work on a range of options, including the possible establishment of a no-fly zone, the evacuation of civilians, international humanitarian assistance, and support for the international arms embargo. There will be further NATO meetings this week. At the UN Security Council, we are working closely with partners, on a contingency basis, on elements of a resolution on a no-fly zone, making clear the need for regional support, a clear trigger for such a resolution, and an appropriate legal basis.

My right hon. Friend the International Development Secretary visited Tunisia on Friday to assess the humanitarian situation. The UK has flown in blankets for 38,000 people and tents for over 10,000 people, and has sent aeroplanes to repatriate more than 6,000 stranded Egyptians and 500 Bangladeshis. This remains primarily a logistical emergency, but it is essential that international agencies are provided with unfettered access to help to prevent the development of a humanitarian crisis. With our support, the UN's emergency co-ordinator, Baroness Amos, convened a special meeting in Geneva today to call for unfettered humanitarian access inside Libya. HMS York has also delivered 1.3 tonnes of Swedish medical supplies to Benghazi.

The Prime Minister will attend an emergency meeting of the European Council on 11 March, this Friday. We will use the Council to press for further action in response to the situation in Libya, and—as the Deputy Prime Minister made clear in Brussels last week—we will also urge the European Union to change radically its thinking about its neighbourhood. As I agreed with the French Foreign Minister in Paris on Thursday, it is time for European nations to be bold and ambitious, and to show that while Europe will not seek to dictate how these countries should run their affairs, we will always be the lasting friend of those who put in place the building blocks of strong civil societies, economic openness and political freedom. We must give every incentive to countries in the region to make decisions that bring freedom and prosperity. At the Council meeting, the Prime Minister will call for Europe to set out a programme to bring down trade barriers, to establish clearer conditions for the help that it provides, and to marshal its resources to act as a magnet for positive change in the region.

The G8 Foreign Ministers' meeting will take place in Paris next week. It will provide a further opportunity to widen the international coalition addressing the crisis in Libya; to underline with the United States, Russia and others the urgency of progress on the middle east peace process and on Iran's nuclear programme; and to reaffirm our collective support for political transition in Egypt and Tunisia and democratic reform in the wider region.

There has been welcome progress towards democratic transition in Egypt and Tunisia. There has also been further progress, including the announcement of a national referendum on constitutional reform in Egypt and of a date for elections in Tunisia. However, the resignations of the Prime Ministers of both Governments show that significant challenges remain. There continues to be instability in other countries, including Yemen. We have changed our travel advice: we now advise against all travel to the whole country, and recommend that British nationals without a pressing need to remain in Yemen leave using commercial means. We look to Governments across the region to respect human rights, including the right to peaceful protest, to avoid the use of force and to respond to legitimate aspirations for greater political openness and economic reform.

It remains more vital than ever that we press for a just and lasting resolution to the Israeli-Palestinian conflict. We want to see an urgent return to negotiations, based on clear parameters, including the 1967 borders. We will work with all the parties to press for a decisive breakthrough this year. President Abbas is visiting the UK this week. I will discuss these issues with him tomorrow, when I will also confirm that, given the extent of our aid to the Palestinian Authority and our work with them, we will join many other countries in upgrading the status of the Palestinian delegation to London to the level of a mission.

If change and development can be achieved peacefully in the middle east, that will be the greatest advance in world affairs since central and eastern Europe changed so dramatically 20 years ago and many of those countries entered the European Union. If not, this could mark the start of even greater instability emanating from the region. It is vital for the people of these countries and the rest of the world that the international community play a coherent and ambitious role in supporting their aspirations. The British Government are deeply committed to that endeavour, and I commend this statement to the House.

Mr Douglas Alexander (Paisley and Renfrewshire South) (Lab): I thank the right hon. Gentleman for giving me advance sight of his statement today. I am grateful to him for his update on the situation in Libya and across the region.

First, let me begin by paying tribute to the bravery of the units of our armed forces that have operated in Libya during this crisis. Specifically, I praise their extraction of British nationals from the oilfields of Libya two weeks ago. This was done with an effectiveness and professionalism that is rightly seen as typical of Britain's armed forces. Secondly, let me say to the Foreign Secretary that I appreciate just how tough this situation is. There is no manual for handling a wave of revolt in a tumultuous region. The tempo of change in the middle east and north Africa has hardly slowed in more than an month, and none of the policy challenges or ministerial judgments thrown up be these events is straightforward or easy.

On behalf of the Opposition, I should like to add my support and welcome for the Foreign Secretary's announcement that the status of the Palestinian delegation in London is to be upgraded. He can rely on our support as he continues to make the case for renewed urgency in efforts to bring about real and meaningful negotiations between the Israelis and the Palestinians.

Let me turn to the events of yesterday. I believe that I speak for many when I say that the news on Sunday that British diplomatic and military personnel were being held was seen as just the latest setback for the United Kingdom, and that it raises further serious questions about Ministers' grip on and response to the unfolding events in Libya. First, we had the still unexplained decision by the Foreign Secretary, alone among European Foreign Ministers, to publicise reports that Gaddafi was already on his way to Venezuela. Then, the Foreign Office was late in securing charter flights and even in convening the Government's emergency Committee, Cobra, when hundreds of UK nationals were stranded and clearly in danger. Then, last week, the option of a no-fly zone was first talked up and then talked down, with the US Defence Secretary warning against loose talk on the issue. Twice in as many weeks—after the events of this weekend, and following the flights fiasco—ministerial decisions have generated an embarrassment that could all too easily have become a tragedy.

Will the Foreign Secretary confirm that the Benghazi courthouse that is serving as the headquarters of the interim national council is but 2 miles from where HMS Cumberland was berthed yesterday afternoon? Secondly, will he confirm that the Royal Marines have, on several occasions in recent days, assisted EU nationals from Benghazi on to royal naval warships in the area?

The Foreign Secretary has confirmed today that he personally authorised this mission. Given the outcome of the effort, will he now tell us whether he discussed the merits or demerits of the proposed course of action with senior officials? Did he discuss alternative means of achieving the mission's aim with his senior officials ahead of his decision being taken? In particular, did he discuss the mission with the Prime Minister in advance of his decision to authorise it?

Will the Foreign Secretary share with the House his assessment of the impact of this weekend's events on the credibility of British foreign policy with the Gaddafi regime in Tripoli and the opposition forces in Benghazi? Perhaps the Foreign Secretary has read the question asked by a spokesman for the opposition forces in today's edition of *The Times*. Let me quote his words directly:

> "If this is an official delegation why did they come with a helicopter? Why didn't they [inform the revolutionary council] that 'we are coming, we'd like to land at Benina airport', or come through Egypt like all the journalists have done".

Given those remarks, does the Foreign Secretary accept that if some new neighbours moved into his street, the British public would be entitled to wonder whether he would introduce himself by ringing the doorbell, or instead choose to climb over the fence in the middle of the night?

[Mr Douglas Alexander]

The Opposition support the Government's aim of establishing a dialogue with Gaddafi's opponents. We welcome today's statement that further efforts will be made to engage with the opposition forces now running parts of Libya, but our welcome to that initiative is conditional, for it should be done in a considered, co-ordinated way with our European and NATO allies. The strategic objectives for the west—sustaining pressure on the regime; helping and where we can protecting the Libyan population; and over time working to assist in ensuring that popular revolt becomes more democratic government—do not divide this House.

This week's meetings of the European Union and NATO remain opportunities to co-ordinate the international response and increase pressure on Gaddafi. May I therefore ask the Foreign Secretary whether he would consider requesting that the Arab League attend Friday's EU summit, to signal clearly the breadth of international pressure, in the region and beyond, on the Gaddafi regime? That meeting will also be vital in shaping the humanitarian response. We of course welcome the work undertaken by the Department for International Development and the visit that the Secretary of State for International Development recently paid, but I hope that the Foreign Secretary will update the House on the work being done across Government to support a multilateral response though the World Food Programme, the United Nations High Commissioner for Refugees and indeed the Commonwealth.

The EU summit can do more in sharpening the choice for Gaddafi's supporters, explicitly stating that assistance will be available to a post-Gaddafi Libya in tackling trade barriers and supporting democratic progress. The summit can be equally explicit to those fighting for Gaddafi: those who leave his forces should be confident about the treatment that they will receive, while officers and mercenaries who stick with him should know that they will face serious consequences in future. At the NATO meeting this week the Secretary of State for Defence will have our support for considering the available contingencies. All options should remain on the table, given the need to sustain pressure on the regime.

Given that it remains uncertain whether this wave of revolt is over—we continue to hear talk of protests in countries beyond Tunisia, Libya and Egypt—can we be confident that lessons are being learned by Ministers about the serial bungling that we have seen in recent weeks? That is what the British people want, and that is what they deserve.

Mr Hague: I am grateful to the right hon. Gentleman for much of what he said. He pays tribute to the bravery of the troops involved in extracting people from the oilfields two weekends ago, and he is absolutely right to do so. I welcome his welcome for the upgrading of the status of the Palestinian delegation. It is good that that is supported across the House.

There is clearly a good deal of agreement too on the overall outlines of western policy in this matter. The right hon. Gentleman stated, as we have, that all options should remain on the table. He underlined the importance of working closely with the Arab League, which should be continued in many different forms. I do not know whether that will be possible at the European Council this week, but we are in close touch with many of those Arab nations about all the options that may be necessary over the coming weeks and months. Close consultation and co-ordination with those nations will need to continue.

The right hon. Gentleman asked about the multilateral aspects of humanitarian aid. My right hon. Friend the Secretary of State for International Development is in continuous close touch with Baroness Amos and all the organisations and people the right hon. Gentleman mentioned, including the UN High Commissioner for Refugees and others. We will keep up that work, including on co-ordinating our humanitarian and logistical assistance with France—we have co-ordinated it to a degree—which has also worked well.

The right hon. Gentleman also asked about matters that were raised in the House last Monday, so I will not go over all of them again, except to say this on his question about whether there has been a variation in policy on the no-fly zone and whether our policy is out of step with that of other nations: the policy is exactly as stated by the Prime Minister here at the Dispatch Box last Monday, which is that contingency planning should be done for a no-fly zone. It is exactly the same position as that expressed by Secretary Clinton last week, and exactly the same as that expressed by the French Government, as the French Foreign Minister and I made clear at our press conference last week. I think from what the right hon. Gentleman says that it also enjoys the support of the Opposition in this House, so I think we are aligned on this policy.

On the deployment in Benghazi, the factual points the right hon. Gentleman stated in his question are correct. On consultation with officials and who decided what and so on, we should be clear that when our staff go into a potentially dangerous situation, a level of protection is provided for them, based on professional and military advice. We do that in many places around the world, and it was, of course, important to do so in this situation. As I explained, I authorised such a mission to be made to put a diplomatic team into eastern Libya with protection. Of course, the timing and details of that are operational matters decided by the professionals, but Ministers must have confidence in their judgments, as I do, and must take full ministerial responsibility for all their actions and judgments, as, of course, I do. The Prime Minister and other Ministers were of course aware that we would attempt to put a diplomatic team into eastern Libya.

On the overall impact of British foreign policy on the Gaddafi regime and others, they are aware, as is much of the world, that we have led the way at the United Nations Security Council and drafted the resolution that was passed last weekend, that we led the way at the UN Human Rights Council, gathering the signatures that led to the suspension of Libya, and that we are at the forefront both of implementing the assets freeze and other measures that are putting pressure on the regime and of getting the message through in Libya that reference has been made to the International Criminal Court. The impact of British foreign policy on this situation and on the Gaddafi regime is extremely powerful, and that is how it will remain.

Sir Malcolm Rifkind (Kensington) (Con): Having as Defence Secretary helped to enforce the no-fly zone on Iraq to protect the Shia and the Kurds, I am well aware of the important benefits this can produce in the right circumstances, but does the Foreign Secretary agree that to take forward proposals for a no-fly zone in Libya two fundamental conditions must be satisfied: first, the United Nations Security Council must give explicit endorsement for such an operation; and, secondly, there must be unambiguous evidence that the Libyan revolutionary council representing the insurgents actually wants the very substantial degree of western military involvement that a no-fly zone would represent, because there is clear indication that many of them believe that Libyans should liberate their own country? Will my right hon. Friend confirm that this proposal is unlikely to go anywhere until and unless these two conditions are satisfied?

Mr Hague: My right hon. and learned Friend is correct that all the contacts we have had with opposition forces in Libya suggest that they believe Libyans should be responsible for liberating their country. However, it is also only fair to point out that in those conversations they have already explicitly asked for a no-fly zone, and they do not see a contradiction between those two points.

My right hon. and learned Friend is right that many conditions should be attached to trying to implement a no-fly zone. The way I would state them at this moment is: there should be a demonstrable need that the whole world can see; there must be a clear legal basis for such a no-fly zone; and there must be clear support from the region—from the middle east and north African region—as well as from the people of Libya themselves, as my right hon. and learned Friend says. Those are the necessary conditions for such a no-fly zone to be created.

Mr Jack Straw (Blackburn) (Lab): In my experience of operations such as the one at the weekend, there was always an impressive level of operational detail in the submissions that came to me as Secretary of State and to the then Defence Secretary, because it is not the concept that could go wrong but the operational detail. Does the Secretary of State have any reason to believe that less detail is provided to this Administration than was provided to the previous one?

Mr Hague: No, absolutely not. The right hon. Gentleman is right about the level of detail normally provided. These operations vary enormously in their nature and the level of detail provided, but I have no reason to think that there would, in general, be a difference.

Sir Menzies Campbell (North East Fife) (LD): There is much in the Foreign Secretary's statement to be welcomed, but I regret what I am about to say. Is it not clear that this mission was ill conceived, poorly planned and embarrassingly executed? What is he going to do to restore the United Kingdom's reputation in relation to foreign policy in the middle east, what will be the role of any further mission and what permissions will it seek before it goes?

Mr Hague: As I said, the United Kingdom, having led the way in so many of the ways I have described at the Security Council and the Human Rights Council, is in the forefront of western policy on this issue. Clearly, further contacts with the opposition in eastern Libya are necessary and desirable, for all the reasons that I set out in my statement. The opposition there has made it clear that it would welcome such contact, so it is important for that to go ahead. Clearly, it must go ahead on a very different basis from that on which it went ahead last week, and that is what we will set about.

Mr Bob Ainsworth (Coventry North East) (Lab): Will the Foreign Secretary do nothing more to give the impression to the British public that what is under consideration is about being seen to be doing something, rather than about doing something? Will he do absolutely nothing—he has recognised this in answer to the right hon. and learned Member for Kensington (Sir Malcolm Rifkind)—to undermine not only the impression but the priority for the Libyan opposition to be at the forefront of this? This should not be about some desire of the United Kingdom Government.

Mr Hague: Yes, the right hon. Gentleman makes a very important point. In all the countries witnessing great change it is important that the solutions are owned by the people. That is why we have said that it is important that all the assistance that we provide and that we are calling on the European Union to provide is given in a way that is not patronising towards such countries, but does help to provide some of the necessary incentives to get them to move in the direction that we would consider—greater economic openness and political reform. That is true in Libya, too, and I am sure that Libyans are determined, as we should be, that they also own the solution to this. At the same time, the whole world has humanitarian responsibilities—the United Nations has, of course, a responsibility to protect—so we have to balance those against the consideration that he rightly points to.

Several hon. Members *rose—*

Mr Speaker: Order. More than 50 right hon. and hon. Members are still seeking to catch my eye. If I am to have any realistic chance of accommodating them, as I usually strive to do, brevity is of the essence.

Richard Ottaway (Croydon South) (Con): Further to the point made by my right hon. and learned Friend the Member for Kensington (Sir Malcolm Rifkind) on no-fly zones, on the two recent occasions when it has been tried—in Bosnia and in Iraq—such zones did not turn out to be effective and the intervention of ground troops was needed before the situation on the ground was resolved. Does the Foreign Secretary agree that it makes sense to bear that in mind before making such an operational decision?

Mr Hague: Yes, my hon. Friend is right. That is one of the reasons why I said in answer to my right hon. and learned Friend the Member for Kensington (Sir Malcolm Rifkind) that one of the criteria should be demonstrable need. If one was to consider implementing a no-fly zone, one would have to ensure that it would actually make a difference to the situation. The demonstrable need must be there if we are to consider doing it.

Mr Denis MacShane (Rotherham) (Lab): Since this crisis started, I have been reading *The New York Times* and European papers, and watching al-Jazeera, and the notion that Britain is seen as the leader in this crisis exists only in the Foreign Secretary's head. Last week,

[Mr Denis MacShane]

to restore the good name of the London School of Economics, Sir Howard Davies did the honourable British thing and accepted his responsibilities. Has the Foreign Secretary considered his position at all?

Mr Hague: As I have said, I take full ministerial responsibility, as Ministers do. I believe very strongly in the doctrine of ministerial responsibility for everything that happens in a Minister's Department, so I am very clear about that. We have been busy drafting the resolutions of the UN Security Council and the UN Human Rights Council while the right hon. Gentleman has been struggling to read the newspapers from around Europe.

Nicholas Soames (Mid Sussex) (Con): Does my right hon. Friend agree that if the British Government and our partners are to be able to take the kind of difficult decisions that will be needed in the next few weeks, intelligence and information on the ground are of the first importance? Will he therefore reassure the House that whatever action is taken to secure that intelligence and information will not impede the deployment of British assets?

Mr Hague: Yes, absolutely—I certainly give that assurance.

Mr Ben Bradshaw (Exeter) (Lab): If the object of the mission was to make contact with the leaders of free Libya, why did those involved not go straight into Benghazi, as scores of international journalists have done? Does that not illustrate a lack of grip and competence right at the heart of government?

Mr Hague: As I explained earlier, in answer to the right hon. Member for Paisley and Renfrewshire South (Mr Alexander), whenever we deploy diplomats in a dangerous situation, we provide a level of protection based on professional and military advice. We do that in several other countries, so it is not an unusual thing to have to do, and we did it on this occasion too.

Mr John Redwood (Wokingham) (Con): Before considering any military intervention, will the Foreign Secretary assure the House that he is aware that when intervening in a civil war, it is all too easy to kill the people one is trying to help?

Mr Hague: Direct intervention in these situations is, of course, a momentous thing that must be considered carefully from every possible angle, and my right hon. Friend points to another angle that we have to consider. It is important to stress that the contingency planning that we have asked for in NATO does not constitute such direct intervention in a civil war, or near civil war, but involves the consideration of measures to protect the civilian population and the provision of humanitarian assistance if necessary. That is different from directly intervening in a conflict.

Angus Robertson (Moray) (SNP): The latest report of the UN Refugee Agency says that 170,000 people have fled to neighbouring countries, mostly to Egypt and Tunisia. Will the Foreign Secretary confirm that the Black Watch is currently on stand-by to assist in supporting humanitarian efforts? Given its potential deployment, does he agree that now is not the time to consider closing its home barracks at Fort George outside Inverness?

Mr Hague: It is probably beyond the scope of this statement to go into the last point that the hon. Gentleman raises, but he is right to point to the huge numbers of people involved. The latest figures that I have seen show that more than 200,000 people have passed those borders. My right hon. Friend the International Development Secretary stresses that, at the moment, this is a logistical crisis of getting people to where they need to be, rather than what we would term a humanitarian crisis. Clearly, if the conflict in Libya becomes even more protracted and violent, such a humanitarian crisis may develop on top of that. That is why we are seeking to help and why we are already engaged in helping. Yes, the Black Watch would be available to assist with such humanitarian activity, but that is why it is on that degree of stand-by.

Margot James (Stourbridge) (Con): Does my right hon. Friend agree that strong civil societies with democratic freedoms will come about in the middle east and north Africa only if there is greater equality for women in those countries? Will his Department work with the Department for International Development to support all the efforts that will bring that end about?

Mr Hague: Yes, I think that is absolutely right. We have to work with people in those societies without us in the western world telling them what to do. We have to work with the grain of their cultures and traditions, but the building up of civil society, improvements in human rights and the development of more open political activity should—certainly in my view and clearly in my hon. Friend's view too—include a much increased role for women in those societies. That is something that, in the right way, we should certainly promote.

Tony Lloyd (Manchester Central) (Lab): The Foreign Secretary does not need me to tell him that when we engage in the kind of operations that took place over recent days, there is risk a to serving British service people, as well as to those with whom they come into contact. That must be proportionate. In this case, is the right hon. Gentleman confident that what appears to have ended in farce could not have ended in tragedy?

Mr Hague: The hon. Gentleman points to an important fact. There are risks involved in many of the things that we have to do in such situations. There were risks involved in what happened the previous weekend in the rescue of oil workers from the desert. One of those flights was engaged with small arms fire when it landed in the desert, so yes, there are risks involved, and it is precisely because there are risks involved in the deployment of our staff in such situations that we act on professional and military advice to give them protection.

Bob Stewart (Beckenham) (Con): I speak as someone who has operated underneath a rather ineffective no-fly zone. Will my right hon. Friend assure me that if we get involved in a no-fly zone, we will be prepared to bring down aircraft and helicopters, and even strike anti-aircraft assets in the sovereign territory of Libya?

Mr Hague: For a no-fly zone to be implemented, it would clearly have to be effective, as well as to have the demonstrable need that I spoke about earlier. My hon. Friend is getting me into matters that are properly for the contingency planning that is now being done in NATO. Those are matters to be scoped out in any planning for a no-fly zone, and in consultation with other countries beyond NATO as well.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): It is useful to follow the previous question, because my question is about hitherto unsuccessful no-fly zones, where the confusion between military and humanitarian aid caused undue problems. In his contingency planning, is the Foreign Secretary planning to distinguish strictly between those areas still controlled by Colonel Gaddafi, which would therefore not receive humanitarian aid, and those controlled by the rebellion, which would receive it, or is he not prepared to make such a distinction?

Mr Hague: There is a range of options to be considered, and the hon. Lady draws attention to how many different ways one can look at the issue. Those different options need to be examined. NATO Defence Ministers will be able to discuss the matter later in the week, so I cannot give a specific answer now to her question. All those considerations will be taken into account.

Mr Bernard Jenkin (Harwich and North Essex) (Con): May I urge my right hon. Friend to take credit for the operations that go right, as well as responsibility for the operations that go wrong? May I remind him of the aftermath of the first Gulf war, when the fatal error was to allow Saddam Hussein to fly his helicopters to oppress his own people again? The Government are right to lead the debate about a no-fly zone, which is gaining support among voices in the United States, as well as from France.

Mr Hague: Yes, I take the point that my hon. Friend makes and I am grateful for his support for the position that we have taken on contingency planning. On the question of taking credit for what goes right as well as blame for what goes wrong, having in the past led the Conservative party for four years, I have never heard of that notion before.

Mr David Winnick (Walsall North) (Lab): Up to about a fortnight ago, we were busy selling arms to Gaddafi's bloodstained regime. Does the Foreign Secretary understand that there is a great divide between giving humanitarian aid to the victims of Gaddafi's regime, and military intervention? On the latter, there seems to be in the House and certainly in the country at large—and I believe it is the right attitude to take—no appetite for military intervention in Libya.

Mr Hague: We will not take too many lectures from the Opposition on the issue of selling things to the Gaddafi regime or wider issues of policy towards Libya, but of course there is a difference between humanitarian assistance and direct military intervention. As I explained earlier, the options that we are asking NATO to look at are essentially options to protect the civilian population or to deliver the necessary humanitarian assistance. That is different from direct military intervention.

Robert Halfon (Harlow) (Con): Following the scandal of the financial links between Libya and the London School of Economics and other British universities, will the Foreign Secretary examine what the previous Labour Government did to help facilitate those links? Does he not agree that the fish rots from the head down, and will he hold an independent inquiry to examine the previous Government's insidious links with Libya?

Mr Hague: I am sure that there will be lessons to be learned from that. We are a little preoccupied with what is going on at the moment, but there will be a time to learn all the lessons from past relationships with some of the systems and regimes now being overthrown by their own people.

Rushanara Ali (Bethnal Green and Bow) (Lab): In the light of the tragic deaths of three Bangladeshi nationals during a repatriation mission from Libya, what steps are being taken to ensure the safety of all those being repatriated? What further assistance will the UK Government provide to support and repatriate those stranded in neighbouring countries?

Mr Hague: We will continue to provide support as necessary. All accidents in these situations, and certainly deaths, are very regrettable, as we would agree immediately across the House. We have assisted in the evacuation of more than 500 Bangladeshis and more than 6,000 Egyptians. In doing so, their safety is the paramount concern—it is for their safety that we are undertaking the operation in the first place. The hon. Lady can rest assured that the utmost care is being taken. We cannot guarantee that no accidents will happen, but great care is taken and will continue to be taken in the operations.

Mr Edward Leigh (Gainsborough) (Con): Realistically, given our resources, or lack thereof, surely there is no way we can or should take the lead in a no-fly zone. Indeed, will my right hon. Friend accept that after two interventions in Afghanistan and Iraq, the British public have not the slightest appetite for getting involved militarily in a third Muslim country?

Mr Hague: As I have said, what are not being actively introduced at the moment, but for which we want to do the contingency planning, are measures to protect the civilian population or deliver humanitarian assistance where it is needed. There might be an appetite for that if there is a demonstrable need. I set out several criteria earlier, and any action along those lines should be judged against them. Several hon. Members have drawn attention to previous no-fly zones and conflicts. Should we learn lessons from what has happened? Yes, we certainly should.

Mr Frank Roy (Motherwell and Wishaw) (Lab): Two weeks ago, we witnessed the debacle of the Foreign Office trying to arrange a Tripoli airport rescue mission, and last week the Prime Minister refused to rule out arming rebel groups in Libya, and those are the same groups that held our diplomats and soldiers over the weekend. Can the Foreign Secretary give an assurance that this week will not be the third week of disasters by the Government?

Mr Hague: If it is a protracted conflict that goes on for some time, it will throw up many challenges in addition to those we have already faced. Some of those

[Mr Hague]

are diplomatic, and as I have said the UK has led the way on that. Some are humanitarian, ~~and~~ the UK is playing a leading role in that, as we have discussed. There are other areas where we have certainly had difficulties, such as those of a couple of weeks ago to which the hon. Gentleman refers. On the other hand, after those difficulties we have pulled out and evacuated British nationals, ahead of many other nations, and helped people of about 30 other nationalities to leave Libya during our operations. Perhaps he should take a lesson from my hon. Friend the Member for Harwich and North Essex (Mr Jenkin) and acknowledge that although not everything goes right, the UK has done many things properly and well over the past few weeks.

Rory Stewart (Penrith and The Border) (Con): There are many non-violent options that have not yet been explored. May I please encourage my right hon. Friend to look in particular at the formation, under chapter 7, of an escrow account for Libyan oil revenues in trust for the Libyan people and apart from the Gaddafi regime?

Mr Hague: Yes, we continue to look at other options on top of the asset freeze and the measures we have already taken. My hon. Friend will be familiar with the measures we took to stop the delivery of what has added up to about £1 billion in bank notes to the Gaddafi regime. We continue to look at other ways to reduce the financial flows to the Gaddafi regime that might be used to support the violence and attempts to suppress the civilian population's protests, of which we have all heard and some of which I have described. We will certainly be looking at that kind of measure.

Barry Gardiner (Brent North) (Lab): Who, if anyone, did the diplomatic mission believe it had arranged to see, what did it think was the agreed agenda, and why were the missionaries issued with multiple identities and passports?

Mr Hague: As I have explained, the missionaries were to make contact with opposition groups in Libya in order to assess the humanitarian situation there, and it will be necessary to have further diplomatic presence and diplomatic contact in order to do that. I am not going into further operational details about that for entirely obvious reasons: other missions sometimes take place in other parts of the world. The mission under consideration met the president of the national council that the opposition have formed, and that is the basis for further contact between the United Kingdom and those opposition groups.

Duncan Hames (Chippenham) (LD): I wonder whether the Foreign Secretary could elaborate on that point. I am keen to know what direct contact either our embassy or his other officials have established with the chair of the national Libyan council, Mustapha Abdul-Jalil.

Mr Hague: The diplomatic team that was there at the weekend did have a meeting with him, and we have had a range of contacts with other figures in the opposition. The hon. Gentleman will be aware that several figures have defected from the Gaddafi regime to the opposition, and I have spoken to some of them myself, including General Younis, one of the Ministers who took some of the special forces over to the other side in Libya, so our contact has been with Mr Jalil, that particular general and other figures among the opposition forces in eastern Libya.

Jeremy Corbyn (Islington North) (Lab): The Foreign Secretary obviously has a huge area of responsibility, but I am very surprised that in his statement he said very little about the crying need for human rights and justice in Saudi Arabia, and nothing about the ongoing crisis in Bahrain. The contagion throughout north Africa of the thirst for democracy, liberty and human rights is universal, and the Government should recognise it as such. It is actually more important than selling arms.

Mr Hague: It is true, of course, that it would be possible to make a much longer statement about the situation in the middle east, but it might be necessary for Ministers to make statements over many months, going into the details of many countries, so of course I recognise that it is possible to say more about those situations. I referred to them in my statement—where we called for people to be able to protest peacefully. It is also important that, where protests occur, policing techniques are used that allow for peaceful protest and, wherever possible, do not encourage or lead to violence. That is a message we convey to all nations, as well as the message that my right hon. Friend the Prime Minister expressed in his speech in the Kuwaiti Parliament, calling on all nations in the region to respect legitimate aspirations for economic development and more open and flexible political systems.

Dr Julian Lewis (New Forest East) (Con): Do events in Libya and the middle east carry any lessons at all for the Government, given the talk about possible British participation in no-fly zones and the decision to stand down the carriers and the Harriers that would be essential to carry out any such operation?

Mr Hague: It is not true that such facilities are necessary to implement a no-fly zone, because, in the case of Libya, ground bases are available and no nation has used an aircraft carrier for the recent evacuation of their citizens. The United Kingdom still has and will continue to have formidable military assets, including in air power. We are a part of the contingency planning for what might happen, but it would not be necessary to have an aircraft carrier to execute such a plan.

Sandra Osborne (Ayr, Carrick and Cumnock) (Lab): In acknowledging the difficulty of deciding how best to protect the Libyan people, I wonder what discussions the Foreign Secretary had with our partners in view of the danger and the potentially counter-productive nature of the mission.

Mr Hague: We have discussions with our partners in NATO and in the European Union, and indeed more broadly in the Arab world, about this entire crisis, about the future of Libya and about the future of the entire region. Obviously, the mission into eastern Libya that we are describing was a United Kingdom-only mission, and not subject to discussion with other nations.

Dr Andrew Murrison (South West Wiltshire) (Con): If the European External Action Service has a point, it is surely to engage in a timely fashion in its very near abroad. Is my right hon. Friend aware of any action being taken by Baroness Ashton in advance of this Friday's meeting beyond cancelling a few visas and imposing a few trade sanctions?

Mr Hague: Baroness Ashton has recently visited a number of states in the region, including Egypt and Tunisia. It will be important for the European Union, including Baroness Ashton and her organisation, to play a role in what we are calling on the European Union to do in changing its policy to one of greater openness towards the countries of north Africa and to providing incentives for them to move towards economic openness and political reform. I hope that all the nations of the European Union, and its organs, will take part in that.

Fiona O'Donnell (East Lothian) (Lab): The Secretary of State spoke earlier about the plight of refugees. Up until the middle of last week, 10,000 to 15,000 people were crossing the border into Tunisia on a daily basis. Since then, that number has dropped dramatically, and on Thursday only 2,000 refugees crossed the border. UNHCR has expressed concerns that people are being prevented from leaving Libya. What assessment has the Secretary of State made of this drop in numbers, and to whom has he spoken to help to inform that assessment?

Mr Hague: That is a very good point. My right hon. Friend the Secretary of State for International Development has expressed the very same concern. A variety of things may be happening in this regard. Most of the people who have left have been migrant workers from other countries, and so it is possible that the numbers who remain are diminishing. It is also possible that the extent of the fighting that is taking place is making it harder for people to leave, or that they are being discouraged from leaving. My right hon. Friend is assessing that with his international partners and multilateral organisations. It is difficult for us to know exactly what is happening on the ground, but we will continue to assess it.

Mr Julian Brazier (Canterbury) (Con): May I congratulate the Government and the armed forces on the successful evacuation of thousands of people by sea and air under very difficult circumstances? May I also, though, caution my right hon. Friend that humanitarian aid supported by military means is very unlikely to be seen in that way by the protagonists in a civil war?

Mr Hague: Yes, I entirely take my hon. Friend's word of caution; he is quite right to point that out. If we came to the point of thinking that that might be necessary, it would be a difficult decision to take. As the Prime Minister made clear last Monday, it is also right to do the contingency planning about many of the options that might have to be taken in a whole variety of circumstances. However, I stress to my hon. Friend that this is contingency planning rather than a decision to undertake the kind of operation that he is concerned about.

Mr Gerry Sutcliffe (Bradford South) (Lab): It is good that the Foreign Secretary is admitting that the mission failed, and of course it must be right to protect our diplomats in the way that he outlined. However, was not the mission always going to fail given that people arrived, unannounced, in a helicopter full of military equipment in such a volatile situation? What does he think of the role of our ambassador in the conversation that was reported by Colonel Gaddafi and the relationship between the two ambassadors, when the ambassador himself did not know what was going on?

Mr Hague: Of course, there are many telephone conversations going on. I myself speak to people on both sides of the divide in Libya, including to the Libyan Foreign Minister, Musa Kusa, who is still part of the Gaddafi regime. As there are British nationals still in Libya, it is important for us to be able to have a channel of communication directly with the Libyan regime, as well as with leading figures in the opposition. It is therefore no surprise that such telephone conversations are going on, particularly in the situation that we had over the weekend. The background to the mission is exactly as I described it earlier. I point out to the hon. Gentleman that, as I made clear in my statement, the mission ended up meeting the president of the national council of the opposition forces, and that is now the basis for further diplomatic contact with them.

Mr John Baron (Basildon and Billericay) (Con): Apart from the irony of sending a British warship named after a pork sausage to rescue Brits from a Muslim country, is not the real lesson from this situation that we should stop meddling in other people's affairs and be very careful before we lecture countries on democracy when we have armed their autocratic rulers with crowd-control weapons?

Mr Hague: I differ a little from my hon. Friend on that point. When we had to evacuate British nationals from Benghazi, it was important to send the nearest royal naval ship available, irrespective of its name. That is not the only vessel that has been involved. HMS York has also been there, and my hon. Friend will understand that I am particularly proud of that as a Yorkshireman. I hope he has no difficulty with that. Those ships have been there not to meddle in anybody else's affairs, but primarily to take humanitarian aid and to evacuate our nationals and the nationals of many other countries out of harm's way.

Keith Vaz (Leicester East) (Lab): The Foreign Secretary has announced a change in travel advice for Yemen. Last week, the Secretary of State for International Development generously, and correctly in my view, increased aid to Yemen to record levels. Is it still the Government's position to support the Government of Yemen while calling for reforms?

Mr Hague: We do not take sides in Yemeni politics. We of course want a close and friendly relationship with the state of Yemen. We support the Government of Yemen in carrying out necessary reforms. As the right hon. Gentleman knows, when I visited Yemen a few weeks ago, I called on its President to deliver a detailed development and poverty reduction plan, and to combat international terrorism within Yemen effectively. Those are the necessary priorities for Yemen. I also called on him to be generous to opposition parties in charting the way forward constitutionally for Yemen, and asked opposition parties to be generous to him in finding an agreed way forward. We are still engaged in

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that process, including through delivering the aid to Yemen that the right hon. Gentleman highlighted in his question. It is the Foreign Office's responsibility to give up-to-date travel advice to reflect the difficult situation in that country. The situation has deteriorated in recent days, which is why we have changed the travel advice.

Richard Drax (South Dorset) (Con): If we have no aircraft carriers, which are needed to implement a no-fly zone, from which base would rescue helicopters for downed pilots fly?

Mr Hague: That will be the subject of the contingency planning that we are talking about. Clearly, there are many military bases along the south of NATO. I have referred to the need for clear support from the region if we are to implement a no-fly zone. That has to be borne in mind in answering my hon. Friend's question.

Bill Esterson (Sefton Central) (Lab): My constituent Jennifer Currie, her eight-month-old baby Nadia and her six-year-old daughter Alisha, happily, are on their way home from Libya. My caseworker spent the weekend arranging for them to travel home from Gharian, where they were hiding from the fighting. It took the Foreign Office 36 hours to agree to pay for a taxi to the airport, and my caseworker had to persuade the Foreign Office to arrange flights home. Jennifer had to agree to pay £1,400 for the tickets when she got home. Will the Foreign Secretary investigate why the arrangements were left to an MP's caseworker, and why the penniless mother of an eight-month-old baby was asked to pay for her children's escape from a war zone?

Mr Hague: The Under-Secretary of State for Foreign and Commonwealth Affairs, my hon. Friend the Member for North East Bedfordshire (Alistair Burt), who has responsibility for this region, has worked on this case and does not accept the hon. Gentleman's description of it. We are delighted that his constituent and her children have been able to get out of Libya and to safety. FCO staff in London bought flights for her and her children, and ensured that she had assistance at Tripoli airport. They met her in Tunis and ensured that she made her flight, via Frankfurt, to the United Kingdom. We are not expecting her to repay the cost of the air fares.

Dan Byles (North Warwickshire) (Con): As we have heard, there have been calls in some quarters for the west to arm the rebels. Students of history know that we have in the past armed communist guerrillas in Malaya against the Japanese and the mujaheddin in Afghanistan against the Russians, both with unforeseen long-term consequences. Will the Foreign Secretary reassure the House that he will exercise great caution in the face of such calls?

Mr Hague: Yes, absolutely. I also point out that the whole of Libya is subject to a United Nations international arms embargo.

Mr Andrew Love (Edmonton) (Lab/Co-op): Does the Foreign Secretary accept that there are still questions about his judgment at the weekend? Did he not realise the difficulties that sending in a helicopter would create? Did he not realise that, in the sensitive situation in Libya, arming people to the teeth would be a red rag? Will he please answer the question about how he made those decisions? Does he not think that they have left us looking risible in the world community?

Mr Hague: I set that out earlier, so I am not sure that it is necessary to go over it again. Clearly, some of the judgments are difficult. The previous weekend, we sent armed people into Libya to perform different missions, so such judgments unfortunately have to be made quite regularly. This mission turned out differently from those on the previous weekend.

Alec Shelbrooke (Elmet and Rothwell) (Con): May I warmly welcome the Foreign Secretary's reiteration today that there will be no major intervention without the UN's backing, unlike what happened under the Labour Government? Will he outline the role of UK diplomats in the consular service in evacuating citizens from Libya?

Mr Hague: As I said earlier, the measures for which we are making contingency plans require demonstrable need, a clear legal basis and clear support from the region for them to be implemented. UK diplomats have done an amazing job. For example, the people in our rapid deployment team who went to Tripoli airport the week before last worked day and night for four to five days, assisting British nationals to be evacuated. They did an outstanding job, which has not always been widely recognised in the commentary on those matters. I pay tribute to them today.

Yasmin Qureshi (Bolton South East) (Lab): Will the Foreign Secretary now apologise for the fiasco over the weekend?

Mr Hague: I think that I have made my position on all that clear.

Kris Hopkins (Keighley) (Con): Whatever political capital or trust there was to justify international military intervention in the middle east was spent several times over—and squandered—by the Labour Government. May I therefore suggest that any future intervention in which we participate is strictly rooted in humanitarian support so that we can start to regain the trust that Labour Members squandered and lost?

Mr Hague: I agree with my hon. Friend that there is much mistrust among the public about what might happen in such situations. I also reassure him that the measures for which we are doing the contingency planning—a no-fly zone, protection of humanitarian assistance—are directed at protecting the civilian population if that becomes necessary and there is a demonstrable need to do so.

Thomas Docherty (Dunfermline and West Fife) (Lab): Further to the questions from the hon. Members for South Dorset (Richard Drax) and for New Forest East (Dr Lewis), the Foreign Secretary indicated that he has identified some countries from which a no-fly zone could be operated. What are those countries and what discussions has the FCO had with them?

Mr Hague: Although those are entirely legitimate questions, they can be answered only after the contingency planning has been done either in NATO or with partners outside NATO. It is not possible currently to specify which countries would play such an active role.

Mr Ben Wallace (Wyre and Preston North) (Con): In 2003, when Tony Blair led Colonel Gaddafi out of the cold, he did so on the basis that Libya gave up its weapons of mass destruction. We now read and have heard briefings in the past week that Gaddafi is perhaps in possession of mustard gas. Will the Foreign Secretary confirm whether that is true? If it is true, when did the Government know and why was it covered up?

Mr Hague: It is true, as far as we know, that Libya continues to have stocks of mustard gas. We continue to call on the Libyan regime to ensure that any stocks it has are absolutely secured, because the level of violence in Libya gives rise to concern about what might happen to them.

I am not sure whether the previous Government had knowledge of the stocks or why they did not comment on them, but this Government have been very open about our knowledge that those stocks exist, and they must be secured.

Paul Flynn (Newport West) (Lab): Does the Foreign Secretary recall the day when Minister Michael Heseltine, clad in a camouflage jacket and accompanied by 1,500 soldiers and police, arrived at Molesworth peace camp by helicopter in order to evict 17 peace campaigners and a goat? Is it not true of the Government that our brave British soldiers—our brave British lions—are still led by Tory Ministers who have overdosed on James Bond?

Mr Hague: I do not fully recall the incident that the hon. Gentleman describes—I was at university at the time and was probably doing something else—but I take his point. However, I would have thought that he would have taken this opportunity to pay tribute to the work that our troops did in rescuing so many people from the Libyan desert the weekend before last.

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): On that note, will my right hon. Friend join me in congratulating and thanking the crews of HMS Cumberland and HMS York, which are based in my constituency, who did such a professional job in that evacuation? Will he thank the Maltese Government for hosting our nationals who were involved, and will he explain our relationship with Malta and under what conditions we are operating?

Mr Speaker: Order. One answer will suffice.

Mr Hague: My hon. Friend is quite right to draw attention to those things. The Defence Secretary spoke to the captain of HMS Cumberland only this morning and the Prime Minister has spoken to him in recent days. Cumberland and York have been doing a great job, exactly in the way that my hon. Friend describes. I welcome the opportunity to place on record our thanks to Malta for the assistance it has given to enable us to evacuate our nationals and to take humanitarian supplies into Libya. Malta is a neutral country, which we must always respect, and it is a member of the European Union and of the Commonwealth. We are enthusiastic that it is one of our partners in both those organisations. Recent events have reminded us of something that our predecessors in the 1940s and the 1800s learned—the immense strategic importance of Malta. We will do everything we can to strengthen our friendship with that country in the coming weeks and months.

Mr Jim Cunningham (Coventry South) (Lab): I am sure the Foreign Secretary is aware that a number of groups over the years, particularly Christian and voluntary groups, have visited the Palestinian territories, as Caritas did recently. What are we doing to get the peace process up and running, and in particular, what pressure are we putting on Israel?

Mr Hague: We are doing everything we can diplomatically. As I said, that is what we will discuss with President Abbas tomorrow. We have called on the US to join us in saying that the parameters of a settlement should include stating that it will be based on 1967 borders. We also need a just settlement for refugees, and for Jerusalem to be the future capital of both states in a two-state solution. We voted that way at the UN Security Council three Fridays ago—we voted among the group of 14 of 15 nations on the Security Council for the resolution concerning settlements in the occupied territories. Those settlements are illegal, and we have called on Israel to extend and then to renew its freeze on that building. This country is a friend to Israelis and to Palestinians. We believe that it is in the vital interests of both that the middle east peace process receives greater urgency from the international community, and not less urgency in the light of recent events.

Sajid Javid (Bromsgrove) (Con): To say that the situation in Libya is volatile, uncertain and dangerous would clearly be an understatement, which is why I and my constituents are immensely proud of the brave work of our special forces on behalf of their Queen and country. Will the Foreign Secretary take this opportunity to congratulate our special forces on the courage they show?

Mr Hague: Yes. My hon. Friend makes a powerful point, and I join him in his congratulations.

Steve McCabe (Birmingham, Selly Oak) (Lab): Does the Foreign Secretary agree that one of the lessons of the past few days is that we must be careful about the number of western military missions seeking to operate in Libya, lest they play into Gaddafi's hands in respect of foreign interference and undermine the very opposition we are trying to reinforce?

Mr Hague: Yes, of course, but I think that the hon. Gentleman would also join me in accepting that there have been necessary military missions, including for the evacuation of some of our workers. We have just been praising the work of HMS Cumberland and HMS York. Those were also military missions. We do not go ahead with any military mission unless we believe it to be genuinely necessary.

Rehman Chishti (Gillingham and Rainham) (Con): In Egypt, we have now seen a referendum on eight amendments to the constitution put forward by the interim military Government. Does the Foreign Secretary

[Rehman Chishti]

agree that all the amendments must be agreed by a new Parliament elected through free and fair elections in order to have a genuine democratic mandate?

Mr Hague: There is no doubt that we want to see free and fair elections in Egypt for the presidency and the Parliament. The people who have brought about the revolution in Egypt are also absolutely determined about that, however, so they do not need the United Kingdom to show our determination on that front—although we certainly agree. It is the people of Egypt who own what has happened, and of course we now want to see the development of a stable, open democracy in that country.

Toby Perkins (Chesterfield) (Lab): The Foreign Secretary is right to say that things have gone well and other things have not gone so well. However, with the decision not to convene Cobra for several days, the no-fly zone announcement, which was on and then off, the flights fiasco and the announcement about Venezuela, the mishaps have been coming thick and fast. Would he not be in a good position to try and rebuild his credibility if he apologised to the House and to those who might feel that their lives have potentially been put in danger by the mishaps that have befallen them over the past two weeks?

Mr Hague: The policy on the no-fly zone, which the hon. Gentleman asks about, has been the same throughout. As I have explained, the evacuation of British nationals was completed ahead of that of many other countries. Indeed, we assisted people from about 30 other countries in doing so. When one looks at those things, they will see that the United Kingdom has a good deal to be proud of.

Points of Order

4.42 pm

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): On a point of order, Mr Speaker. Following last week's overwhelming yes vote for law-making powers for the National Assembly for Wales, both the Deputy Prime Minister and the Chancellor made statements over the weekend indicating the UK Government's intention to begin a Calman-like process for Wales. Is it in order that these statements were made at their conference in Cardiff rather than in this House or the Welsh Assembly?

Mr Speaker: I am grateful to the hon. Gentleman for giving me advance notice of his intended point of order. I confess that I am not aware of any Government statement on this subject. Neither am I aware, notwithstanding what he just said in pursuit of his point of order, that there is a matter of order on which I can rule. However, I suspect that being a perspicacious Member he will find other opportunities to pursue the matter through the Order Paper and in the House.

Jeremy Corbyn (Islington North) (Lab): On a point of order, Mr Speaker. You will have seen the large number of Members interested in the Foreign Secretary's statement just now and the intensity of the questioning. Have you had any suggestions that there is going to be a full day's debate on north Africa and the middle east in the very near future?

Mr Speaker: In the first instance, where Government time is concerned, that is a matter for the Government. Secondly, it could be a matter for the Backbench Business Committee. I was trying to think whether there was anything further in my mind on the subject, but I cannot recall off the top of my head any other plan. However, there are those two possible avenues, and I have a feeling that, if the hon. Gentleman is dissatisfied or if what he wants is not forthcoming pretty soon, he will renew his endeavours.

The Parliamentary Secretary, Office of the Leader of the House of Commons (Mr David Heath): Further to that point of order, Mr Speaker. I am sure that the hon. Gentleman will wish to look at the Order Paper for Thursday 17 March.

Mr Speaker: I am very grateful to the Deputy Leader of the House, because I did not have the Order Paper in front of me and could not recall that date. I had germinating in my mind the notion that something was brewing, but I did not know what. However, the Deputy Leader of the House has helped the hon. Gentleman, me and the whole House, so we are all extremely grateful to him.

Jeremy Corbyn: We are all happy.

Mr Speaker: We hear pre-emptive gratification from the hon. Gentleman from a sedentary position.

Jeremy Corbyn: Thank you very much.

Mr Speaker: Gosh, we have an outbreak of happiness in the Chamber on a Monday afternoon. We are all grateful, and I am sure the country will be too.

Scotland Bill

[1st Allocated Day]

Considered in Committee.

[Dawn Primarolo *in the Chair*]

Clause 1

ADMINISTRATION OF ELECTIONS

4.45 pm

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): I beg to move amendment 10, page 1, line 22, at end insert—

'(3A) After subsection (2) there is inserted—

(2A) The first order made by Scottish Ministers under subsection (1)(a) must include the application to Scottish Parliamentary general elections of the terms of paragraph (3A) of Rule 45 (the count) and Rule 53ZA (counting of votes: statement by returning officer) in Schedule 1 to the Representation of the People Act 1983."'.

The Second Deputy Chairman of Ways and Means (Dawn Primarolo): With this it will be convenient to discuss the following:

Clause stand part.

Government amendment 29.

New clause 5—*Administration of elections—*

'(1) In Part 1 of Schedule 4 to the Act (enactments protected from modification by the Parliament), in paragraph 4(2) after "1(4)", there is inserted "12".

(2) In Part 2 of Schedule 5 to the Act (reserved matters: specific reservations), in Section B3 (elections) the words "the European Parliament and the Parliament" are omitted and the words "and the European Parliament" are inserted.'.

Tom Greatrex: It is a pleasure to serve under your chairmanship, Ms Primarolo, as we embark on the Committee stage of the Scotland Bill. Since we last debated the issues on Second Reading, the legislative consent motion Committee has made its report to the Scottish Parliament, which we received last week. I understand that it will be debated by the Scottish Parliament later this week. There is also the ongoing scrutiny of these matters by the Select Committee on Scottish Affairs, to which the Secretary of State and others have given evidence. We are part of the way down the road, but there is still some way to go.

It is right that our scrutiny is done thoroughly and with care, and that the issues are properly raised and discussed, particularly in the Committee stage on which we have embarked. I am sure that many Members will wish to press their points on different aspects of the Bill. For our part, we have tabled a number of amendments, of which amendment 10 is the first. Some are designed to tease out detailed consideration to which the Minister might wish to respond further today or on Report, while we intend to press other amendments to the vote.

I would like to say at the outset how grateful we are for the assistance and discussion we have had with a wide range of interested parties and individuals over the past few weeks as we have sought to scrutinise the Bill. We are also grateful for the Secretary of State's confirmation—after some reasoned but pointed business questions in recent weeks, which also ensured that the Leader of the House had a fuller understanding of the Holyrood legislative process than he otherwise would—that the Government will not move forward to Report until the LCM process in Holyrood has been completed. We also note the Secretary of State's confirmation that while he will wish to reflect on the content of the initial LCM Committee report—and, presumably, the motion that accompanies it—he will not necessarily be bound by it, which is a point he recently made at the Scottish Affairs Committee inquiry. The LCM Committee made a number of observations and recommendations, and I am sure the whole House—well, at least some of it—will look forward to hearing the Government's response to those points.

It is part of the responsibility of Members to press on particular aspects of the Bill. There are strongly held views on both sides of the House on some aspects of devolution, but it is important to endeavour to continue our scrutiny of what the Secretary of State himself has proclaimed to be the most significant development in constitutional arrangements since the Scotland Act 1998. Our reference point, as always, because of its shared, cross-party status, is the report of the Calman commission, which hon. Members know led to an earlier White Paper before the general election and, subsequently, to this Bill.

Clause 1 deals with the administration of elections, which Calman recommended should be devolved to the Scottish Parliament. Amendment 10 deals specifically with overnight counts, which I shall discuss first. It is widely acknowledged that, by and large, people in Scotland want to know the results of their elections as soon as it is practicable so to do. That was the objective of the Minister when he was in opposition in the lead-up to the general election last year and it was supported by the then Opposition parties in respect of an amendment to the Representation of the People Act 1983, which my amendment seeks to replicate. The Government are well aware of the history.

Partly owing to measures of the Government's own making, such as the imposition of a referendum on the same day as the Scottish parliamentary elections, and partly owing to the views of electoral administrators—who always come out of the woodwork during the build-up to elections—there has been continuing speculation in recent weeks that returning officers will again seek to move wholeheartedly to morning counts, which is something that they do habitually. They tried it in 2005—when, as an employee of East Dunbartonshire council, I was closely involved in the arrangements relating to the count for the redrawn East Dunbartonshire constituency—but got nowhere. They tried it in 2007 for the purpose of the Scottish parliamentary elections, notwithstanding the disruption caused to those elections, although—unlike the design and descriptions on the ballot papers—the time of the count was not an issue; and they tried it again in the run-up to the general election.

As the Minister will recall, I raised the matter with him via the Leader of the House. Despite an earlier suggestion that it might be dealt with in the Parliamentary Voting System and Constituencies Bill, he wrote to me saying that he was not prepared to change the law, that it was all very difficult, that returning officers were independent and he could not tell them what to do, and that we should leave it at that and lobby if we so wished. That was an interesting revision of the view that the

[Tom Greatrex]

Minister had expressed about a year ago, before the general election. I have with me the letter that he sent to me, in which he said that he assumed that I knew all that, given my long service as a special adviser at the Scotland Office. Given that long service at the Scotland Office, I was also aware that I would receive a letter from officials that I would send back, asking them to try again. Perhaps the Minister will learn that in the months and years to come.

The spectre of election counts not starting as soon as practicable is still with us in respect of the voting in May. Although the revered Tom Aitchison of City of Edinburgh council is no longer in post, his successors keep trying. The amendment deals with the issue for the next election to the Scottish Parliament and every other set of Scottish parliamentary elections by invoking the amendment to the Representation of the People Act that finally dealt with it before the general election.

I note the comments of the Electoral Commission, which has said that the amendment contains flexibility to deal with the position in constituencies such as Argyll and Bute in which there are practical problems connected with starting counts. However, it allows the counts to begin as soon as practicable after the election. Given that the Minister and his colleagues voted for this 12 months ago, I am sure that even within the scope of the coalition agreement there is the opportunity for some consistency on the Government's part. I hope that those of us, in all parts of the Committee, who wish to reflect the view of our constituents that counts should happen as soon as possible after elections make our position clear. I shall be interested to hear the Minister's comments.

Mrs Eleanor Laing (Epping Forest) (Con): I find myself in the extremely unusual position of agreeing entirely with everything that the hon. Member for Rutherglen and Hamilton West (Tom Greatrex) has said. That is not surprising, however, given that the amendment that was accepted by the Government approximately a year ago, before the last general election, was originally tabled by me. The right hon. Member for Blackburn (Mr Straw) wisely added his name to it and accepted it as a Government amendment, and it became part of the Bill. At the time, I thought that that was the only thing that I had ever achieved from the Opposition Front Bench, but perhaps that was due to the cynicism engendered by 13 years of opposition.

I am delighted that the hon. Member for Rutherglen and Hamilton West has tabled the amendment again. It was very popular with Members in all parts of the House when we debated it a year ago. It became law, and it made a difference to the way in which the general election was administered and to the timing of the extremely disappointing results of that election across the country. But if we were going to get bad news, perhaps it was as well to get it sooner rather than later. That is not the point, however. The point is that, in the operation of our democracy, it is right that election counts should take place as soon as practically possible after the close of poll.

We discovered that many excuses were being made by returning officers around the country for not undertaking their duties in a timely and correct manner. They made every excuse that they could think of, none of which proved to be correct, because, when the law was changed and they were required to act as they ought to have been acting in the first place, they did so. I look forward to hearing what the Minister has to say on this amendment, but I hope that I shall be able to support what the hon. Gentleman has just proposed to the Committee.

Pete Wishart (Perth and North Perthshire) (SNP): I welcome you to the Committee, Ms Primarolo. I know how much you appreciate the convivial nature of Scottish debates, and I hope that we will do our best to behave ourselves today and to conduct these proceedings in a civil manner.

On Second Reading, we made it clear that it was our intention to improve and strengthen the Bill. I concede that, over the past few weeks, significant progress has been made in that direction. We have already had the report from the Scottish Parliament's Bill Committee, which made a number of useful and helpful recommendations, especially those that apply to the non-fiscal parts of the Bill. I welcome those recommendations. It is perhaps unfortunate, however, that some of them cannot be properly debated because of where we are in the process. The Scottish Parliament has not even passed its legislative consent motion, yet we are here in Committee today discussing the Scotland Bill, line by line and clause by clause.

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): Notwithstanding all that, and the fact that there is a huge amount of discussion still to be had, will the hon. Gentleman address the amendment? Does he not agree that it is absolutely right that the count in all Scottish parliamentary elections should take place immediately, overnight?

Pete Wishart: I have no dispute whatever with the hon. Lady about that; of course the count should take place as soon as possible—*[Interruption.]* If she will allow me, I must point out that we are debating clause 1. She needs to check what we are discussing just now.

We have made progress, but it is unfortunate that we are unable to debate certain amendments that could have been tabled on the back of what was proposed by the parliamentary Bill Committee in the Scottish Parliament. We are at a different stage in the process. The legislative consent motion has not been passed, yet we are here today scrutinising the Bill in detail in Committee without having access to that important work.

The Parliamentary Under-Secretary of State for Scotland (David Mundell): May I seek clarification from the hon. Gentleman? Why are he and his colleagues tabling amendments that do not appear in the Scottish Parliament's legislative consent motion Committee? For example, they are tabling an amendment proposing to devolve the matter of especially dangerous airguns to the Scottish Parliament, even though that was not the unanimous view of the Committee. If he respects the view of the Committee, why is he tabling such amendments?

The Second Deputy Chairman of Ways and Means (Dawn Primarolo): Order. I know that the Minister is eager to debate airguns, but perhaps he could wait until we get to the relevant clause? Meanwhile, I am sure that Mr Wishart was going to stick to clause 1 and this group of amendments.

Pete Wishart: I am grateful to you, Ms Primarolo. That is exactly what I was going to do. May I just say to the Minister, however, that we will introduce and propose our own amendments? His problem as a Minister, and the problem for all the Calman commission parties, is that they have no opportunity to table their own amendments relating to the recommendations of the Scottish parliamentary Bill Committee. There has been no opportunity to do that because we got the Bill Committee's report only on Friday morning.

David Mundell: I do not want to exceed my role, but the hon. Gentleman will be aware that it will be possible to discuss any further amendments arising from the Scottish Parliament's consideration of the Committee's report on Report in this House.

5 pm

Pete Wishart: That answers one of the questions that I was going to put to the Minister, which is when are we going to see those amendments? How are they going to be introduced? If they are all to be tabled on Report, we will need a little more time to discuss them than is currently available. It would be unacceptable for them to be tabled in the unelected House of Lords. It is the responsibility of directly elected Members of Parliament to discuss those issues, and we should have the opportunity to do so. Those amendments should not be tabled in the House of Lords; they should be discussed on the Floor of this House. We should also have more time on Report, if that is when we will see those important amendments arising from the Scottish Parliament's Bill Committee.

Stewart Hosie (Dundee East) (SNP): My hon. Friend will have noticed the Minister saying that there would be time later—perhaps on Report—for the consideration of any amendments that follow the LCM Committee's recommendations. However, during earlier exchanges the Secretary of State was nodding when my hon. Friend was confirming that the Government would not be bound by the LCM Committee's recommendations. Will he now press the Government to confirm that if the LCM Committee proposes serious amendments or makes recommendations that would improve the Bill, they will accept them?

Pete Wishart: My hon. Friend poses an important question for the Minister. That is what we need to hear: are the Government of a mind to accept those recommendations? *[Interruption.]* The Secretary of State is saying no. That is very clear. This is not an issue just for me; it is an issue for all my colleagues in the Chamber. This was supposed to be a process that started in the Scottish Parliament, but now that recommendations have been made, the Secretary of State is saying that he is not of a mind to accept them all. Perhaps he could give his view on what he is prepared to bring forward and what he is not prepared to bring forward.

The Secretary of State for Scotland (Michael Moore): If I may repeat what I said to the Chair of the Select Committee on Scottish Affairs and the Scottish Parliament's Committee, we are already actively considering all the different proposals that have come forward from what is an excellent and serious report. We are taking it seriously and we will bring forward our thoughts on it at the appropriate moment, with time for plenty of scrutiny both here and in another place.

Pete Wishart: That is a helpful contribution from the Secretary of State, but perhaps when the Minister winds up he could tell us when we will see those amendments, where they will be introduced and when elected Members of this House will have the opportunity to debate them.

I bring all this up because the Scottish Parliament's Bill Committee makes an important recommendation in relation to the proposals for electoral administration. What we see in new clause 1 is the partial devolution of some administrative responsibilities—not all, as was recommended in the Calman report—from the Secretary of State to Scottish Ministers. The Scottish Parliament's Bill Committee said that two more areas should be added, covering the disqualification of Members and arrangements for elections to the Scottish Parliament. The Committee made those proposals, but we have not had the opportunity to debate them because we have not seen any amendments.

Why is that important? It is important because of recent experience. We have to go back only four short years to find out what can happen in electoral administration, when more than 140,000 of our fellow citizens were effectively disenfranchised. They lost their ability to vote because of how the Labour party, which was then administering the Scotland Office, failed to discharge its obligations and responsibilities seriously and sensibly. Some 140,000 people lost their votes in the last Scottish Parliament elections. To be fair to the former Labour Scotland Office, a number of problems with that election were identified. To the previous Government's credit—I acknowledge this—they brought in Ron Gould to look at what went wrong and perhaps make recommendations to ensure that it never happened again.

Jim McGovern (Dundee West) (Lab): Is the hon. Gentleman aware that one of the concerns raised was about putting the words "Alex Salmond for First Minister" on the ballot paper?

Pete Wishart: I accept that, and I said that the failings identified were not just those of the then Labour Scotland Office, although it was in charge of the process and the buck stopped there. Ron Gould identified a number of issues in his report. One of the key things that he identified was fragmentation and a disparity in responsibilities between this House and the Scottish Parliament. He made the strong suggestion that all responsibilities and arrangements for Scottish Parliament elections should be in one place, under one jurisdiction, and he gave the strongest possible hint that that should be the Scottish Parliament. The Scottish Parliament considered the Gould report back in January 2008. Its Members were unanimously of the view that all electoral administration, including competence for elections, should be in one place, and they made it clear that that place should be the Scottish Parliament.

David Mundell: Will the hon. Gentleman acknowledge that as one of Ron Gould's recommendations was that there should be no overnight counts, perhaps he was not right about everything?

Pete Wishart: I am more than happy to acknowledge that Ron Gould was not right about everything, but I think most Members accepted the broad thrust of his report's recommendations in respect of the structural problems that arose in the 2007 election. One of his recommendations was that all responsibilities for elections should lie in one House, and he gave the strongest possible hint that that should be the Scottish Parliament. Our new clause 5 proposes precisely that. It brings together all aspects of electoral administration and legislative competence and places them with the Scottish Parliament, which is where they should be. We believe that that is the case not only because about 140,000 people lost their votes in 2007, but because it is the normal way of things. Any self-respecting Parliament should be in charge of its electoral arrangements. With election to office comes accountability, and we strongly believe that all arrangements to do with elections should be the responsibility of the Parliament that has been elected on the basis of those arrangements.

I accept that the Bill's proposals represent an improvement on current arrangements. I welcome the fact that it devolves certain administrative functions to Scottish Ministers—indeed, I welcome any transfer of powers to the Scottish Parliament—but it does not even devolve all aspects of electoral administration, as recommended by the Calman commission. That would still give the Secretary of State powers over voter registration, the rules on the composition of Parliament, the procedure for filling any regional seat vacancy during the life of the Parliament, and rules relating to disqualification.

Scottish Ministers would still need to approach the UK Government if primary legislation were required on the date of elections, for example, or even on the voting system, which is an issue that I know greatly exercises many Labour Back Benchers. The Scottish Parliament's role would also be limited to approving or disapproving rules made by Scottish Ministers, and it would have no opportunity to shape them through its own primary legislation. Furthermore, the Bill would require that Scottish Ministers must consult the Secretary of State before making any of these rules.

Michael Connarty (Linlithgow and East Falkirk) (Lab): The hon. Gentleman has said something that jarred with the logic of his argument. He is obviously speaking about an independent country that has its own Parliament when he says that the Parliament should decide the electoral system. Does he not accept that as this Westminster Parliament is sovereign, it is right that we decided the system—although I do not agree with it, in particular the additional Members who were added instead of bringing the numbers down to the figure proposed in the first Bill? Does he not accept that it is right that this sovereign Parliament should decide how people are elected to the devolved Parliament, as the reality is that we do not have an independent Parliament in Scotland?

Pete Wishart: Of course the hon. Gentleman and I differ as to how we would like this whole process to develop and the sort of Scotland we would like in the future, but my view is still very much that any self-respecting Parliament worthy of that name must be responsible for its own arrangements. That is just how things are done, and I believe the Scottish Parliament should have that responsibility.

Mr Brian H. Donohoe (Central Ayrshire) (Lab): Why, therefore, have the hon. Gentleman's colleagues north of the border in his Scottish Parliament not processed the whole question of having a referendum on what he is talking about?

Pete Wishart: Actually, I have had a look at the calendar, and I see that there is to be an election in about eight short weeks' time, when these very issues will be debated and voted on. I also foresee a groundswell of support for the position I am advocating and a diminution in support for the hon. Gentleman's position.

Through our amendment, we intend to fulfil the general drift and thrust of the Gould report recommendations, and to implement what has already been established in the major recommendation of the Calman commission report, which comes close to what the Scottish Parliament's Scotland Bill Committee is proposing. The amendment also puts the voter at the heart of the process, because that is what is required. The interests of the voters come first, and they were short-changed and badly let down by what happened four years ago. Radical work was required in order to address that, and thank goodness we have the work and recommendations of Ron Gould.

I see no good reason why Westminster should remain in charge of Scottish elections; I see only the predictable knee-jerk response that this place needs to have some sort of say and role in Scottish elections. To devolve not even all the administration of Scottish elections, as was suggested by Calman, is bewildering and contrary to everything proposed. The Scottish Parliament's Bill Committee is now saying that the devolution of administrative functions is not good enough and the Secretary of State needs to look at this again. The Committee went even further and said that before we even implement clauses 1 and 3 the Scottish Parliament and Scottish Government should be consulted and we would review this once again. It also raised many of the Electoral Commission's concerns in respect of the electoral management board—that is currently going through the Scottish Parliament.

For all those reasons, I ask the Minister to re-examine this clause to see what can be done. Let us have a proper debate about what the will of the Scottish Parliament's Bill Committee is and what Calman intends in all this. Let us give proper constructive consideration to ensuring that all arrangements to do with elections, be they about electoral administration or legislative competence, can be moved to the Scottish Parliament. I ask hon. Members to support new clause 5.

Mrs Anne McGuire (Stirling) (Lab): I am delighted to support amendment 10. It would be disappointing if we judged whether or not it was valid on the basis of what happened during the previous Scottish Parliament elections. I am sure that many hon. Members in the Chamber can come up with a compendium of reasons why that count was a disaster. All political parties in this House have to accept some responsibility for the ballot paper, which has been identified as one source of the problem, because we all consented to it. We also put our faith, wrongly, in an IT system that did not work. We could perhaps accept that there is an excuse for its not working, given the complications involved in a Scottish Parliament election as a result of different votes being counted, different constituencies and so on, but that same IT system was tried out in a local council by-election in my constituency and it took us nearly five hours to get the result. The only good thing was that this occurred in the full presence and glow of the electoral commissioner with responsibility for Scotland, John McCormick, and his senior members of staff. They realised then, if they had not already done so, that that electronic system of counting was not yet usable for future elections.

It would therefore be unfortunate if we said that one of the reasons why we do not want overnight counts relates to that disastrous night, although the hon. Member for Perth and North Perthshire (Pete Wishart) is right to identify the number of ballots that were lost—people's votes that were lost. Ron Gould fell into the trap of stating that that was the reason why overnight counts were not wanted. He did not look beyond a particular set of circumstances on a particular evening when a series of issues arose that, in retrospect, could perhaps have been dealt with differently.

I have been astonished by the reaction of returning officers. For most of my political life, they have been able to deliver an overnight count without any great anxiety about whether or not staff had to work overnight, yet they have suddenly decided, in their wisdom, that they do not want to accept the responsibility of an overnight count. It came as a surprise to many of us before the last election that what we thought was a given—an overnight count—was no such thing. We then discovered that returning officers had it in their power to decide when they wanted to count an election for this or any other House. With the greatest respect to returning officers across Scotland, I do not think it should be their responsibility to decide when the count should take place. It is for this Parliament to decide when an election count should take place and I hope that the Government will consider the amendment seriously and will look at how they engage with returning officers, because, as we found out before last year's general election, custom and practice will not be good enough.

5.15 pm

Mr Donohoe: I wonder whether returning officers would be so keen on that if they were to forgo their wage for the election if it was to be held during office hours.

Mrs McGuire: Knowing my hon. Friend's grasp of the political minutiae of local government and returning officers, I am sure there is deep insight in those comments, but I am not quite sure what it is at the moment—unless he wants to explain his point in a way that I might understand.

Mr Donohoe: I thank my right hon. Friend for giving way again. If returning officers are going to work office hours to do the count, rather than overnight, they should not get any additional money. In those circumstances, perhaps we would save money if we moved the count.

Mrs McGuire: I understand now exactly where my hon. Friend is coming from, and I am sure that he would never have put forward that argument when he was a full-time officer of the National and Local Government Officers Association, but I will let that one stick to the wall.

There are all sorts of reasons why we should insist on an overnight count. Sometimes, we say that there is disillusionment in politics, but one area of excitement, even if it is only mini-excitement, is in waiting for the overnight count, and that is not just for apparatchiks and anoraks such as ourselves in the House. I think you would be amazed, Ms Primarolo, how many people like to listen and wait for election results to come in. Indeed, the figures show that.

Mr Ian Davidson (Glasgow South West) (Lab/Co-op): May I confirm my right hon. Friend's point about excitement? I remember wondering last Thursday, or in the early hours of Friday morning, "Will the Liberals come second or third in Barnsley, or will they come fourth or fifth?" But then, ecstasy of ecstasies, it turned out that they came sixth. The excitement built throughout the night, and that is why it is essential to have a count overnight.

Mrs McGuire: I could not agree more. I not only waited until the television report had nearly finished, but then went upstairs to listen to the result coming through on Radio 5, and then promptly fell asleep.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): Such was the excitement.

Mrs McGuire: Indeed, but I was delighted that when I awoke, what I at first thought was a dream was in fact reality—Labour had not only won that by-election but had won it with an increased majority and an increased percentage of the poll, and a member of the coalition parties had come further down. However, I see that I am taxing your patience a little, Ms Primarolo.

I want to highlight the Electoral Commission's comments. I am a wee bit surprised by the attitude it has taken in not supporting overnight counts, and I feel it has based its assumptions on what happened in the last election, four years ago. It makes a good point in saying that returning officers should not be expected to conduct parallel counts for the first-past-the-post and regional lists, but it is a bit disappointing that it has not recognised that part of the culture of elections in this country, and in many others, is sitting and waiting for the overnight results to come in. That happens in American presidential elections and others.

Mrs Laing: Does the right hon. Lady agree that although the excitement is certainly important to people like us who are involved in these matters, it is not just a matter of excitement and media presence? It is also about good electoral governance, good management of the electoral process and bringing conformity right across the country. Last year, we discovered that returning officers had held themselves responsible for what happened in their area and that many of them refused to be told or to behave in the way that the Electoral Commission thought they should. Is it not therefore up to this Parliament and the Scottish Parliament literally to lay down the law so that there is conformity of action in every election taking place at the same time?

Mrs McGuire: The hon. Lady makes a valid point. Like her, I do not want to overplay the excitement, in spite of our reflections on last Thursday night, because sometimes we can get carried away with that.

[Mrs McGuire]

The continuity of the election process and the election day is important. The election day does not finish until there is a declaration of the count. It is also necessary to give people the confidence that when they put their vote in a ballot box, which is sealed, it is resealed at the close of play and transported immediately or as quickly as possible—if the two are not mutually exclusive—to the count. Part of our historic attitude to elections is the speed with which we can get the individual's vote from the place in which it was cast to the place of the count.

We should recognise that, for the most part, we are not talking about transporting ballot boxes in the depth of winter. These elections are conducted in the spring. I have a constituency which, as some colleagues are no doubt fed up with my telling them, is the size of Luxembourg. I know that the hon. Member for Na h-Eileanan an Iar (Mr MacNeil) has a constituency that extends far wider than that, but in the case of my constituency, we are talking of a distance of some 65 miles, and I have never heard of any difficulties in transporting the ballot boxes in reasonable time from outlying villages such as Tyndrum in the most northerly part of the constituency down to Stirling for the count.

Mr MacNeil: Although I am enjoying the marvellous nostalgia of election night, does the right hon. Lady see any role for electronic voting, which would give an instantaneous result?

Mrs McGuire: I am not into the Simon Cowell approach to voting. Some of our younger colleagues who entered the House at the last election might see that in the future, but I do not have as much confidence in voting by mobile phone as the hon. Gentleman may have. We must make it as easy and straightforward as possible for people in varying circumstances to cast their vote. That is why the extension of postal voting has been such a welcome addition.

We should consider seriously the way in which the House wants to see its elections and the count of those ballots conducted. I would be disappointed if we based all our analysis on the situation that arose four years ago. It was an unusual situation. There was a coincidence of circumstances which made the count difficult. If the Government are serious about achieving consensus on a major constitutional issue, I hope they will not just rely on the good will of electoral returning officers, but take account of the will of the House, which is, I hope, to count our ballots overnight for the Scottish Parliament elections.

Michael Connarty: It strikes me that all political parties are like Simon Cowell—they want the person they own to win whatever campaign they are involved in, so we have a vested interest, although I would not go as far as the hon. Member for Na h-Eileanan an Iar (Mr MacNeil) might go.

My right hon. Friend the Member for Stirling (Mrs McGuire) was right about the myths regarding the errors of 2007, as if it was all down to the ineptitude of the Scotland Office at the time, or of the returning officers. It is clear that the complication in 2007 was the counting of two ballots for two different purposes on two different mandates, combined with the construction of a ballot paper that did not make sense to the elector and clearly, in the count that I watched at great length until I retired to bed at about 4 am, was not fully understood by the returning officer in my area.

Mr MacNeil: To be clear, by electronic voting I do not mean the Simon Cowell, light entertainment version, but the serious version used in many countries around the world.

Michael Connarty: I know a little about that, as my son lives in Australia, which has a totally electronically registered electorate who all must register and vote. He travels a great deal all over Australia with his job and finds absolutely no difficulty in voting, because he can pop into any electoral office in any town at any time up to three weeks before a ballot and cast his vote for the area in which he lives, so it is a very sensible system. It is surprising that we have not caught up with the technology. It would certainly be a great advantage if we did, as that might engage people much more in the ballot.

The idea that we had a problem because we counted overnight is wrong. Although those of us who soldiered on might not have been quite as excited by the process as my hon. Friend the hon. Member for Glasgow South West (Mr Davidson), it was clear to us that the muddle was created by there being two ballot papers. The other question relates to the training of returning officers, because I do not think that the returning officer I watched was competent enough to deal with the ballot, and some crazy errors occurred. For example, he did not tell a candidate who had lost in a council election going on at the same time that he had lost by one vote. The candidate did not discover that until the next day and so was not allowed a recount. Whether that was the result of incompetence, or just the fact that the returning officer was so fatigued that he wanted to get home to his bed and not have another recount in that crazy system running parallel to the Scottish election is another problem.

The hon. Member for Perth and North Perthshire (Pete Wishart) seemed to argue that at whichever level an election takes place—Scottish Parliament level or UK Parliament level—that level should have control over its own type of ballot. By that argument, local councils would be put in charge of their elections and allowed to decide all the things that have been argued for, including exactly who would be elected, how they would be elected and what the franchise would be. That is a nonsense. Presumably for Scottish Parliament elections it would be the First Minister who decides, certainly in the present Scottish Government, as only one person seems to make all the decisions in that Government. Those aspects must be determined by the level above that being elected. For example, the Scottish Parliament, quite correctly, controls the methodology for local elections, just as this sovereign Parliament, which set up the Scottish Parliament, should decide if it wishes to change that, possibly in negotiations. That is not saying that there is not a dialogue to be held, but the idea of putting it down does not make much sense.

Therefore, I support the amendment. As my right hon. Friend the Member for Stirling said, the important point is that when people put their ballot papers in the ballot box, they expect it to be transported securely to the place where they are to be counted. One of the reasons why that was set up for UK elections was to let people know that ballot boxes are not stored somewhere else where they might be tampered with, so there is no split between the process of voting and the process of counting. To push that back to the next day is to add to people's cynicism about how elections are conducted and how the count comes out.

It is clear to me that the lesson we should learn from 2007 is that we should not have two counts on the same evening. Therefore, we should not have the two processes of electing representatives and choosing the method of election at the same time. That argues strongly against the Government's proposal to have a referendum on a voting system on the same day as the Scottish elections, because that is asking people to postpone the count for the electoral amendment to the next day. It might be fine, because I think that it will be the great yawn of the century—I can just see people getting as excited as my hon. Friend the Member for Glasgow North about exactly what little deviation in the electoral system they will be allowed in the process of choosing which system to use.

Mr Davidson: Will my hon. Friend give way?

Michael Connarty: I have startled him into an intervention.

Mr Davidson: My constituency is Glasgow South West.

That was not a deviation. Was it not a major result? One of the country's governing parties came not even second in a by-election, and not even third. If I remember correctly, it was not even fourth or fifth. *[Laughter.]* It is indeed laughable that it came sixth. I believe that it beat the Loonies, but only barely because there was some blurring at the edges. Is that not worth being excited about?

Michael Connarty: Obviously, my hon. Friend is the Member for Glasgow South West, and I do apologise to my hon. Friend the Member for Glasgow North (Ann McKechin), who has offices across the corridor from me. I should really remember that.

A change to AV would not have helped the Liberal Democrats in that election, and any such change will probably not help them in the future, either. The point that I am trying to make is a very serious one, however. To have two different ballots, a referendum on a voting system and a vote for an elected chamber, is to mix up the purpose and focus of the electorate on that day, but that might be the reason behind it all. The possibility of not coming sixth and getting a few votes as the minor party in the coalition might be the reason for holding the two ballots on the same day, but that certainly argues for splitting the process. In the proposals before us, we say that the count for the Scottish Parliament should take place overnight, which is quite correct—and basically no one really cares what happens to the referendum.

5.30 pm

Mr Davidson: We have to ask ourselves a fairly simple question about when the count is held: for whose convenience are elections run? There is a view, very strongly held, that elections are run for the convenience of returning officers. I do not take that view; I tend to think that people generally want elections run for their convenience. A tradition has developed over a long period, whereby those who do not follow an election overnight wake up in the morning and hear the result, and I see no good reason why we should not make that stipulation. Of course professionals and those who are competent at, and have experience in, running elections should have a say in how polls are carried out, but they should not be the tail that wags the dog.

That is one of the issues, however, because if we have an election management board, with the role of the Electoral Commission being brought into question, it must be under democratic control; it must not be self-employed and able to set its own rules according to its own convenience, because its view of what is best will often be determined by self-interest.

I understand, however, that the Government are about to announce a change in the rules about the announcement of by-elections, so that when the Government, particularly the minority governing party, have a successful result along the lines of that in Barnsley, it will be announced some two days after hell freezes over. That does not seem to be an appropriate outcome. Not only did the junior partner in the coalition—this cuts coalition—come sixth; it has been suggested that it came sixth only because the Scottish National party was not standing, and that support for the SNP in Barnsley would have been far greater than that for the Liberals. I can understand that.

I was interested to see that the UK Independence party—basically the British National party with suits—beat the Conservatives, which again tells us something significant. People do find that quite exciting and stimulating. I want to ensure, however, that the Government's position is that two ballots should not be conducted at the same time, because, unless the Government change their mind, the Scottish Parliament elections and the AV referendum will be held on the same day. I hope that we can secure the commitment that they will be counted separately, because most of us want to see the Liberals get a kicking twice, and it would greatly spoil our enjoyment if the results came out at the same time. People in Scotland want to be able to say no to separation, no to cuts, no to the coalition and no to AV, and they need the announcements to be clearly separated.

Finally on the issue of delay, I am old enough to have read about John F. Kennedy's presidential election. The result turned on Illinois, and in Illinois the result turned on Chicago. Chicago, despite being an urban area, was about the last area to announce its vote, because the Democrats held the results back until they found out how many votes they needed to win that state and, hence, the American presidential election. Thankfully, we have always been free of any such suggestion in this country, but it will be considered a possibility if there is any undue delay. It is therefore important to proceed with the count as quickly as possible.

I would like to remind people of the excitement that they, too, felt when they heard the result of the Barnsley by-election. I do not know whether I have mentioned this, but the junior partner in the coalition did not come anywhere close; in fact, it was sixth. I do not have the figures with me, but I suspect that it was only the votes of a couple of households, and the fact that the SNP did not stand, that stopped it coming 10th out of nine candidates.

David Mundell: I welcome you to the Chair, Mr Evans. It is always a pleasure to follow the Chairman of the Scottish Affairs Committee. I thank the hon. Member

[David Mundell]

for Rutherglen and Hamilton West (Tom Greatrex) for his good advice, which, as he said, he garnered during his sentence at the Scotland Office.

While Ms Primarolo was in the Chair, Mr Evans, I tried to seek some guidance on the SNP position in respect of this Bill, because, as those of us who were present during its Second Reading will know, the SNP declared it to be unacceptable. However, I am afraid that that clarity was not forthcoming.

Pete Wishart: Does the right hon. Gentleman agree that it is not only the case that the SNP found the Bill in its current, unamended form to be unacceptable, but that the Scottish Parliament's Bill Committee made many recommendations that have significantly improved it?

David Mundell: The hon. Gentleman mentions the Bill Committee. I sought from him, and again he refused to answer, clarification on whether he would accept that Committee's report, and whatever the vote of the Scottish Parliament is, rather than pursuing amendments that even his colleagues on the Committee did not pursue.

Pete Wishart: The right hon. Gentleman's colleague, the Secretary of State of State for Scotland, has said to me and to this House that he is not of a mind to accept all the recommendations from the Scottish Parliament's Bill Committee. How can we make up our minds if he does not tell us what is and is not going to be accepted?

David Mundell: The Secretary of State made it clear in his written ministerial statement that the Government will give serious consideration to all the amendments and issues raised in the Bill Committee because we respect the work of that Committee and the work of the Scottish Parliament; we do not pick and choose to meet our own political ends.

Mr MacNeil: Is the right hon. Gentleman accepting or steamrollering the will of the Scottish Parliament's Bill Committee?

David Mundell: The Government are looking forward to the debate in the Scottish Parliament later this week when it will consider the legislative consent motion coming forward from the Bill Committee. It will be very interesting to see how the SNP votes in that debate.

Clause 1 transfers to Scottish Ministers certain Executive functions relating to the administration of Scottish Parliament elections that are currently the responsibility of the Secretary of State. Members will wish to note that the Bill Committee in the Scottish Parliament accepted this provision in its report on the Bill. However, as has been mentioned, the report also asked for consideration of a number of related issues such as the procedure for filling any regional seat vacancy during the life of a Parliament, the rules relating to disqualification, and reciprocal consultation. I wish to reaffirm that the written statement from the Secretary of State makes clear our commitment carefully to consider those recommendations, including those relating to this clause. The Scottish Parliament will vote on the Bill on Thursday, and we await the outcome of that vote.

The clause will enable Scottish Ministers to make general provision by order for the conduct and administration of elections to Holyrood, subject only to some necessary constraints. This power includes making provision about supply or otherwise dealing with the electoral register, the combination of Scottish Parliament elections with other elections falling within the legislative competence of the Parliament, and limitation of candidates' election expenses. However, some elements of the powers will remain the function of the Secretary of State—that is, the franchise and the power to combine Scottish Parliament elections with other reserved elections. That will ensure that issues of constitutional importance continue to be dealt with by the UK Parliament. The Scotland Bill Committee in the Scottish Parliament recognised and accepted the continued reservation of those matters.

Amendment 10, as the hon. Member for Rutherglen and Hamilton West said, would require Scottish Ministers' first conduct order under the new powers to include provision requiring returning officers to start the count at Scottish Parliament elections within four hours of the close of the poll, or to publish a statement explaining why they were unable to do so. It is important to clarify at this point that the amendment would not apply to the 2011 Scottish Parliament elections.

I recognise the strength of feeling on this issue, which has been set out eloquently by the right hon. Member for Stirling (Mrs McGuire), the hon. Member for Linlithgow and East Falkirk (Michael Connarty) and my hon. Friend the Member for Epping Forest (Mrs Laing). The drama and excitement of election night and the wish to know the election result as soon as possible are vital parts of our political heritage. I want returning officers to listen to what has been said in this debate. As hon. Members who represent Scottish constituencies know, Mary Pitcaithly, the chairman of the Electoral Management Board for Scotland, will be available to Scottish MPs to discuss the arrangements for the forthcoming Scottish elections at a meeting at the Scotland Office later this week. I am sure that the point about overnight counts will again be forcefully made.

In a recent response to the hon. Member for Rutherglen and Hamilton West, I suggested that he and his colleagues should lobby for overnight counts. I had noticed that the counts in Conservative-led council areas such as Dumfries and Galloway, Scottish Borders and South Ayrshire were scheduled to be overnight counts, and that Labour predominated in the council areas that were on the list of counts scheduled to happen the following day. I therefore thought that he might be able to bring more influence to bear than I in those areas.

Cathy Jamieson: I hear what the Minister is saying, but does he not agree that the best way to ensure that overnight counts take place is to pass the amendment and put it in the Bill, rather than simply exhorting to people and leaving the discretion to them?

David Mundell: The hon. Lady cannot have heard me say that the amendment would not apply to the 2011 election. I am surprised that she, of all people, takes the view that when we are devolving powers to the Scottish Parliament on this matter, we should curtail them. Once the powers have been devolved, it will be perfectly possible for the Scottish Parliament to take account of the representations that have been made from certain quarters, where there is clearly an equally strong feeling about overnight counts. Passing this amendment would be contrary to the spirit of devolving responsibility for these matters to the Scottish Parliament. I certainly hope that we will not see support from the Scottish National party for such curtailment of a newly devolved power.

Ann McKechin (Glasgow North) (Lab): Does the Minister agree, given the strength of feeling that has been clearly shown across the Committee this afternoon, that this matter should be left to a free vote for Government Members? This point elicits a great deal of excitement and passion among Members, so it would be appropriate to deal with it on the basis of Members' own judgment, rather than on a party political basis.

David Mundell: From the hon. Lady's experience of the Scotland Office, she will know that this is a debate not about the merit of overnight counts, but about whether the Scottish Parliament, in gaining new powers over the administration of elections, should have those powers constrained in respect of an election that is likely to take place in 2016.

5.45 pm

It is not about the count on the night of 5 May 2011. I advise the hon. Member for Glasgow North and other Labour Members to come along and speak to Mary Pitcaithly later this week and reinforce the strength of feeling that exists for overnight counts for elections to the Scottish Parliament.

Mr Davidson: Does the Minister believe that it is right that elected Members of Parliament should have to lobby an unelected bureaucrat about the way in which the elections should be conducted? I appreciate that the change in the rule will not apply to this year's elections, but it is unfortunate that we have got ourselves into a position whereby the best that the Minister can suggest is that we go along and lobby a bureaucrat, no matter how worthy.

David Mundell: The hon. Gentleman will recognise that since it was first suggested that few overnight counts would take place in Scotland for the election of 5 May, the number has grown significantly, partly because of the expression of public opinion. Today's debate and some of the eloquent contributions that we have heard will further reinforce that. Passing the amendment this evening will not move the matter forward because it will have no impact on the count.

Mrs McGuire: Would not it be a clear declaration of intent by the House to the returning officers that we expect them, even in the absence of a legal instruction, that they must do it, to hold an overnight count for elections to the Parliament of Scotland?

David Mundell: I trust the Parliament of Scotland to set its own rules for the elections in 2015 or 2016. That is why the Government support devolving the power.

Mrs McGuire: I fear that the Minister may have missed my point. I recognise his legal and technical argument that the matter will be the Scottish Parliament's responsibility in 2016, but surely some seven or eight weeks away from the potential for counts to be postponed until the next day, we should send out a message from this House that we expect an overnight count.

David Mundell: The right hon. Lady's comments, those of my hon. Friend the Member for Epping Forest and others will have sent that clear message to returning officers.

John Thurso (Caithness, Sutherland and Easter Ross) (LD): The point at issue is whether the Scottish Parliament should have the right to make those decisions. The Bill grants those powers. The second question is how we get what we all want: an overnight count at the forthcoming election. Does the Minister have any power under other primary or secondary legislation that he could use to make that happen so that we do not send a message, but just make it happen?

David Mundell: I note the hon. Gentleman's comments, but I believe that we can all play a role in ensuring that it happens through the force of our argument. Again, I invite colleagues to join me and others at the meeting with the chairman of the Interim Electoral Management Board.

Stewart Hosie: The Minister is doing a stoical job in trying to defend the indefensible, but the right hon. Member for Stirling (Mrs McGuire) is right. Notwithstanding the fact that we want everything devolved, not just the administration, the clearest signal that we are backing public opinion in wanting an overnight count would be voting for amendment 10 and allowing the Scottish Government to make the decisions thereafter.

David Mundell: I do not know why I should be surprised at the SNP's voting against more powers for the Scottish Parliament in an attempt at gesture politics, in which its specialises.

The SNP referred to new clause 5, on which we will vote on the third day of Committee proceedings. That would give the Scottish Parliament full legislative competence for the Scottish Parliament elections. That goes far wider than the Calman commission's recommendation to devolve only the administration of elections. The Government gave careful consideration to the extent of the powers to be devolved on the evidence provided to the commission, and we believe that the proposals in the Bill strike the right balance. Devolving elements of responsibility for the administration earlier, as was outlined earlier, is consistent with the Calman commission's principle—

Pete Wishart: What extra value does the Scotland Office bring to elections in Scotland?

David Mundell: This will not be the first time during the Committee's discussions that I refer to the fact that the SNP declined to take part in the deliberations of the Calman commission, and indeed set up its own national conversation. Many issues on which SNP Members now claim outrage could have been fully debated if they had raised them at that time. The Bill is based on the recommendations of the commission.

Stewart Hosie: The Minister says that the SNP declined to take part in Calman. He will, I am sure, want to confirm for the record that the Government refused to

[Stewart Hosie]

accept all the Calman recommendations, and that the Bill does not go even as far as Calman suggested it should.

David Mundell: Given the hon. Gentleman's thorough research into all matters on which he speaks, I am sure he has read in detail the Command Paper that accompanied the publication of the Bill, in which the Government set out their response to each and every Calman recommendation, and how, whether in legislation or otherwise, those are being taken forward.

Government amendment 29 to clause 3 is technical and ensures that when Scottish Ministers make orders about the administration of Scottish Parliament elections, they can include the type of technical supplementary provision set out in section 113 of the Scotland Act 1998. For example, Ministers could make different provisions for different purposes or make consequential or savings provisions. The amendment also ensures that any criminal penalties imposed in such an order are subject to the appropriate limits. It gives Scottish Ministers the same supplementary powers and constraints as currently apply to the Secretary of State when he makes provision on the administration of Scottish Parliament elections.

I commend clause 1 to the House and urge the hon. Member for Rutherglen and Hamilton West (Tom Greatrex) to withdraw his amendment.

Tom Greatrex: We have had an interesting start to the Committee. The Minister will have heard the concern of Members of both sides of the House at the possibility that overnight counts will not happen. In all candour, it is not good enough for him to stand at the Dispatch Box and suggest that we go and lobby Mary Pitcaithly on Thursday on the matter. We have the opportunity now to set a position that the Minister voted for in relation to elections to this House, which is a perfectly responsible position.

The Minister would do well to listen to the hon. Member for Epping Forest (Mrs Laing). I apologise to her, because I was unaware that the wording of amendment 10 is borrowed from her. I hope she feels emboldened enough to vote for it. I have heard her argue against the Government on other occasions, but she has felt unable to follow through and vote against them. I hope she has the confidence to do so today.

This issue is at the heart of electoral administration. As I said, at every set of elections, electoral administrators say, "We don't want overnight counts. We can't do it for reason A, B, C, D, E or F." The proof is not in what Ron Gould says, but in what we all witnessed in May last year. If we set a position, the electoral administrators can get on with it. Let us make that clear for the Scottish Parliament elections as well as for other elections.

Question put, That the amendment be made.

The Committee divided: Ayes 206, Noes 298.

Division No. 215] **[5.54 pm**

AYES

Abbott, Ms Diane
Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Anderson, Mr David
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Benn, rh Hilary
Berger, Luciana
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Cairns, David
Campbell, Mr Alan
Caton, Martin
Chapman, Mrs Jenny
Clarke, rh Mr Tom
Coaker, Vernon
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Crausby, Mr David
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
David, Mr Wayne
Davidson, Mr Ian
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Doyle, Gemma
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Harman, rh Ms Harriet
Havard, Mr Dai
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hopkins, Kelvin
Hosie, Stewart
Hunt, Tristram
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Laing, Mrs Eleanor
Lammy, rh Mr David
Lavery, Ian
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacNeil, Mr Angus Brendan
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morris, Grahame M.
(Easington)
Mudie, Mr George
Munn, Meg
Murphy, rh Paul

Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Perkins, Toby
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Riordan, Mrs Linda
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Sarwar, Anas
Seabeck, Alison
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Spellar, rh Mr John
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Watts, Mr Dave
Whiteford, Dr Eilidh
Wicks, rh Malcolm
Williams, Hywel
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Mark Tami and
Phil Wilson

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Binley, Mr Brian
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, Glyn
Davies, Philip
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Green, Damian
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Hunter, Mark
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Lopresti, Jack
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pincher, Christopher
Poulter, Dr Daniel
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan

Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, Nicholas
Soubry, Anna
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Philip Dunne and
Bill Wiggin

Question accordingly negatived.

Clause 1 ordered to stand part of the Bill.

Clause 2

COMBINATION OF POLLS AT SCOTTISH PARLIAMENTARY AND OTHER RESERVED ELECTIONS

Tom Greatrex: I beg to move amendment 11, page 3, leave out lines 4 and 5.

The First Deputy Chairman of Ways and Means (Mr Nigel Evans): With this it will be convenient to discuss the following: clause stand part.

New clause 7—*Timing of the Scottish Parliamentary general election*—

'(1) Section 2 of the 1998 Act is amended as follows.

(2) At the end of subsection (2) there is inserted "or unless the poll is advanced or delayed as a result of the operation of subsection (6A) below".

(3) At the end there is added the following new subsection—

"(6A) If the poll to be held under subsection (2) or subsection (5) above is in the same calendar year as an early parliamentary general election under section 2 of the Fixed-term Parliaments Act 2011, the Parliament may by resolution appoint an alternative day for the poll for the next Scottish Parliamentary general election no more than 12 months earlier nor more than 12 months later than the day appointed under subsection (2) or subsection (5) above and at least 6 months before or after the parliamentary general election, and the day so appointed shall be treated as if it had been proposed by the Presiding Officer under subsection (5) above."'.

Tom Greatrex: Amendment 11 and new clause 7 are probing amendments regarding the potential for elections to happen on the same date. In the previous discussion, we heard a lot about the Gould report and the issues encountered in the 2007 Scottish Parliament elections. Ron Gould concluded that one of the primary problems was a combination of elections on the same date, and that has been implicitly recognised by the Secretary of State in some of his discussions about the potential clash arising from the Fixed-term Parliaments Bill. Despite the fact that there are a number of concerns, this issue has been included in the Bill not because of something that Calman deliberated on, but because of the Fixed-term Parliaments Bill going through Parliament. That would not, of course, be an issue if that Bill had proposed a four-year term, because a four-yearly cycle for the Scottish Parliament elections and a four-yearly cycle for the UK Parliament elections would mean that the elections would always be at different times. That is why we tabled the amendment. As every authority questioned by the Select Committees that have examined the issue has said, there is very little, if any, precedent for a five-year term, and a four-year fixed term is much more appropriate. That is why I raise the matter today. New clause 7 is also relevant to the potential problems created if an extraordinary general election for the UK Parliament were to take place under a coalition Government, for example.

Mr Davidson: Surely there is a logic to having a five-year term. If one part of the coalition has come third in a by-election and another part of the coalition has come sixth it, it is quite understandable that they are in no hurry to have an election.

Tom Greatrex: The Secretary of State, who is no longer in his place, might well be thinking about how long he might be able to continue as Secretary of State, and what my hon. Friend says could well be one of the reasons for that stance. If we are in a position in which an extraordinary general election has to take place, new clause 7 would provide the opportunity to deal with it in a way that is appropriate for both the Scottish and the UK Parliaments and would save us from having to conduct both elections in the same year. It deals with the problem of confusing the issues of the two different elections and should help us to avoid the problems experienced in 2007, when having two electoral systems for different Parliaments at different elections caused some confusion. It is our responsibility to do what we can to ensure that people are made aware of how their elections work and to make those elections as straightforward as possible. That is the intention behind amendment 11 and the accompanying new clause 7, which deals with extraordinary circumstances.

David Mundell: This clause amends the Representation of the People Act 1985 to provide that when a Scottish parliamentary general election and a parliamentary general election or a Scottish parliamentary general election and a European parliamentary general election are to be conducted on the same date, they should automatically be taken together. It will also allow for the polls to be combined if the returning officers so agree where polls for related areas are taken on the same day—as, for example, with a Scottish Parliament by-election and a parliamentary general election.

Amendment 11, as proposed by the hon. Member for Rutherglen and Hamilton West (Tom Greatrex), would remove the mandatory requirement that where the polls at a Scottish Parliament general election and a UK Parliament general election fall on the same day, the administrative arrangements must be taken together. The amendment would not stop the polls taking place on the same day, however, and it leaves returning officers with the discretion to combine the polls if they think fit to do so. Alternatively, if they are not combined, various processes such as the issue of poll cards and postal votes or voting at polling stations would have to be run side by side.

As it stands, the clause will allow poll cards, postal voting materials and polling stations to be shared. It effectively streamlines the process of organising and running the two polls on the same day, avoiding potential duplication of functions where polls held on the same day would otherwise be run in parallel and it enables overall costs to be reduced. If two polls fall on the same day, for whatever reason, electoral administrators agree that combining them is the best option. It makes it simpler for the returning officer to administer and, more importantly, makes it easier for voters to cast their votes at both polls. If the intention behind the amendment is to stop the polls taking place when both elections fall on the same day, it does not work. If the intention is to make it easier for the voter, that, too, I would suggest, does not work.

Iain Stewart (Milton Keynes South) (Con): I would like to offer some anecdotal evidence from my constituency at the general election. That poll coincided with a local government poll. The arrangements were that postal ballot papers for the local election were sent out earlier than those for the general election. A number of electors expressed their confusion and asked why they had only one ballot paper when they were expecting two. The imperative of combining the two elections in one is incredibly important.

6.15 pm

David Mundell: I thank my hon. Friend for his valuable insight based on his personal experience.

In addition, if the intention of new clause 7 is to avoid the poll at a scheduled Scottish Parliament election from falling on or close to the date of the poll for an early parliamentary general election held under clause 2 of the Fixed-term Parliaments Bill, it does not work.

Mr Frank Doran (Aberdeen North) (Lab): I appreciate that the clause will not apply to the next Scottish election, but there are difficulties in Aberdeen where we have the forthcoming vote on AV and a vote on the Scottish parliamentary elections, which require two ballot papers. Sadly, one of the Liberal Democrat councillors died recently, as a result of which a by-election is also likely to be held on 5 May. The electorate in Aberdeen are thus looking at four separate polling formulae under different systems. The Minister used the word "streamline" earlier, so will he help me by explaining how we are going to streamline the elections in those sorts of circumstances?

David Mundell: The arrangements for the conduct of the Scottish Parliament election and the AV referendum allow for a council by-election to be held on the same day. As I understand it, that by-election will take place on the basis of one form of the alternative vote system.

Mr Doran: But there is a worry that we should use separate arrangements when there are that number of elections all taking place on different bases on the same day.

David Mundell: On the specific case that the hon. Gentleman mentions, representations can be made to the returning officer, because the polls are not required to take place on the same day. The by-election poll does not have to take place on 5 May; it is a decision for the returning officer. That by-election poll should also take place in a separate polling station, although possibly within the same building.

Mr Doran: As I understand the current law on local government by-elections, the election must be held within three months of the death or resignation of the councillor—except when there is also a UK parliamentary or Scottish parliamentary election. In this particular case, except at extraordinary expense, the returning officer does not have much option.

David Mundell: I think the returning officer has some option, but the hon. Gentleman raises an important and relevant point about the multiple electoral systems operated in Scotland. I had just mentioned that Scottish council by-elections, which are another example of polls that could be held on the same day as the AV referendum, take place under a form of the alternative vote rather than the single transferable vote.

Jim McGovern: Is it not the case that we are effectively putting a price on democracy by saying that it is simply cheaper to have all the polls on the same day?

David Mundell: I do not believe that is an accurate summation of the position. The clause allows for the combining of polls and the amendment suggests that they should not be combined. However, I do not accept that the amendment is successful in that regard.

If new clause 7 is designed to avoid having a poll at a scheduled Scottish Parliament election following on or close to the date of the poll for an early parliamentary election held under clause 2 of the Fixed-term Parliaments Bill, it does not work, as I have said. By its very nature, an early parliamentary general election held under clause 2 will take place at short notice following either a motion of the House that there should be such an election, or at the end of the 14-day period after a motion of no confidence.

In the unlikely event that a Prime Minister were to decide on a campaign period of at least six weeks before the date of poll at the early parliamentary general election, which would be the minimum to ensure that the Scottish Parliament had not already dissolved, the parties taking part in the Scottish parliamentary general election would have already gone to significant expense in preparing campaign literature and making other

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arrangements, as would returning officers. All that would be wasted if the Scottish Parliament then decided to change the date of poll. Returning officers might also have started the nomination processes and, depending on timing, might have already entered into contracts for printing and accommodation, the costs of which would, again, be wasted.

Sandra Osborne (Ayr, Carrick and Cumnock) (Lab): Surely the logical conclusion of the Minister's argument is that we should have four-year rather than five-year fixed-term Parliaments. Would that not be an easier way in which to solve the problem?

David Mundell: As the hon. Lady will know, what she suggests was debated extensively in the Chamber during the passage of the Fixed-term Parliaments Bill, and the House delivered its view then. As she will also know, last Thursday the Scottish Parliament voted unanimously to ask the United Kingdom Government to move the date of the Scottish parliamentary election in 2015 to avoid a clash with the United Kingdom general election. The motion stated that the Scottish Parliament

> "notes the potential clash of UK and Scottish general election dates in 2015; invites the UK Government to set the next Scottish general election after 5 May 2011 for Thursday 5 May 2016, and looks forward to UK Government consultation on a legislative provision that would set apart UK and Scottish general election dates on a permanent basis."

I am sure that Opposition Members welcome the fact that the coalition Government have consulted the Scottish Parliament fully on the matter, because it was raised in a number of debates.

Tom Greatrex: Surely the Minister accepts that the Scottish Parliament felt the need to come up with that motion only because of the potential provisions of the Fixed-term Parliaments Bill. If the Bill had provided for a four-year fixed term, there would be no problem. The Government still have an opportunity to revisit that possibility, and I hope that they will take it.

David Mundell: The issue of the length of a fixed-term Parliament was well argued during the passage of the Fixed-term Parliaments Bill, and the fixed term that Parliament has determined is five years. The Government have therefore embarked on an active discussion of the matter with the Scottish Parliament.

Thomas Docherty (Dunfermline and West Fife) (Lab): My maths is not always fantastic, but I suspect that in 2020 we shall encounter exactly the same problem, because the Westminster Parliament will last from 2015 until 2020, and the Scottish Parliament will last from 2016 to 2020. Are the Government considering a permanent extension of the Scottish Parliament's term to five years?

David Mundell: As the hon. Gentleman will know, a number of possibilities have been suggested, and the Government have said that after the Scottish parliamentary election, there will be a consultation on them. Some Members of the Scottish Parliament have said that they would like it to serve a five-year term, and that view will obviously be considered.

Tom Greatrex: I thank the Minister for giving way to me again. He is being characteristically generous. Surely he accepts that there would be no need for so much consultation and juggling with all the possible ways of dealing with the problem if a four-year fixed term were proposed for this Parliament as well as the Scottish Parliament. He has an opportunity to make that case to his colleagues in Government, so that the issue can be dealt with when the Fixed-term Parliaments Bill returns to this House. Will he take the opportunity to make sure that that point is made?

David Mundell: I see no purpose in a rerun of the debate on the Fixed-term Parliaments Bill. The views expressed by the hon. Gentleman have been expressed by others, but they have not prevailed in votes in the House. The Government have set out what I consider to be the strong arguments for a five-year term for this Parliament. Because of the complicated devolution settlement in the United Kingdom, which has its own nuances—I welcome them, because they accommodate the different needs of different parts of the United Kingdom—consequential changes would inevitably be required. We have discussed the changes required in the timing of the Scottish parliamentary election and the best way of resolving the issue in a mature way through a dialogue with the presiding officer and party leaders in the Scottish Parliament.

Mrs McGuire: Does the Minister not accept that in trying to extend the life of this Parliament to a term that bears no relationship to any other element of our electoral process, the Government have created a series of problems not just for themselves but for other parts of the democratic process? The result has been a number of ill-considered consequences to which the Minister and the Government attempt to apply Elastoplast every time they encounter them. This is a very expensive way of providing a lifeboat for the coalition Government to take them through to 2015.

David Mundell: I would take what the right hon. Lady says a good deal more seriously had the last Labour Government not extended their own life to virtually the last minute of a five-year term. That opened up the possibility of another five-year term for this Parliament, leading to a coincidence of elections with the Scottish Parliament elections in 2015 that would have taken place in an unstructured and unthought-out way. The Bill has dealt with the possible repercussions.

Mrs McGuire: Will the Minister reflect on the facts? There have been two five-year Parliaments since 1992, one under the former Conservative Prime Minister John Major and the other under a Labour Prime Minister, my right hon. Friend the Member for Kirkcaldy and Cowdenbeath (Mr Brown). The Minister's argument has no credibility. He and the Government have created a series of consequences by trying to introduce a five-year fixed term for the current Parliament. Everyone else is being forced to alter the ways in which they operate in order to suit the coalition Government.

David Mundell: I am afraid that that is merely a smokescreen for the fact that there could have been a coincidence between the Scottish parliamentary and Westminster elections in any event, and that arrangements would have had to be made to deal with it.

Thomas Docherty: The Minister said earlier that the Government had given some consideration to the idea of moving the Scottish parliamentary elections to 2021. He will be aware that the next local government elections are scheduled for 2021. It may interest Members to know that several years ago, in the Scottish Parliament, a certain David Mundell introduced a Bill to decouple the Scottish Parliament from the local government elections. Perhaps the Minister will tell us what his position on the issue is now.

David Mundell: My maths is better than the hon. Gentleman's. I knew that already, and I knew that these were exactly the sort of matters on which discussion and dialogue were needed. It is much better for that discussion and dialogue to take place in a structured way than for it to take place on the ad hoc basis that would have been required if there had been a coincidence of elections on the basis of the arrangements that existed before the introduction of the Fixed-term Parliaments Bill. That Bill allows these matters to be addressed, and discussion and dialogue to take place. I believe that the mature way in which that dialogue with the Scottish Parliament has taken place reflects well on the coalition Government.

Ann McKechin: Does not this debate show that a draft Fixed-term Parliaments Bill, which would have allowed consultation to take place between all the relevant bodies affected by the legislation in advance of it being brought to this House, would have been the most sensible way forward?

6.30 pm

David Mundell: Once Parliament had determined the nature of the Fixed-term Parliaments Bill, the appropriate thing to do was to enter into the mature and sensible dialogue that we have had with the Scottish Parliament. I am sure that, like me, the hon. Lady will welcome the fact that the motion in the Scottish Parliament was passed unanimously. The Government will take forward the wish of the Scottish Parliament to ensure that the next Scottish Parliament election after this one will take place on 5 May 2016, on the basis that voters going to the polls on 5 May 2011 will know that they will be electing their MSPs to serve for five years.

I do not feel that the amendment would achieve the objectives that it sets out to achieve. It could lead to a lot of wasted expenditure for candidates, parties and returning officers, and I accordingly commend clause 2 to the Committee and urge the hon. Member for Rutherglen and Hamilton West to withdraw his amendment.

Tom Greatrex: We have had an interesting debate on these issues. I would just note again that, if there had been a proposal for a four-year fixed-term Parliament, none of this would have been a problem. That would probably have been a more sensible route to take, and it is still open to the Government to deal with that matter again in the weeks to come. In the light of what the Minister has said, we will withdraw the amendment at this stage and perhaps reflect on the matter again on Report. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 2 ordered to stand part of the Bill.

Clause 3

SUPPLEMENTARY AND TRANSITIONAL PROVISION ABOUT ELECTIONS

Amendment made: 29, page 3, line 11, at end insert—

'( ) In section 113 of the 1998 Act (subordinate legislation: scope of powers) for subsection (1) substitute—

"(1) References in this section to a power are—

(a) to an open power,

(b) to any other power to make subordinate legislation conferred by this Act which is exercisable by Her Majesty in Council or by a Minister of the Crown, and

(c) except in subsection (9), to the power of the Scottish Ministers to make an order under section 12,

and include a power as extended by this section."'.—*(David Mundell.)*

Clause 3, as amended, ordered to stand part of the Bill.

Clauses 4 and 5 ordered to stand part of the Bill.

Clause 6

BILLS: STATEMENTS AS TO LEGISLATIVE COMPETENCE

Tom Greatrex: I beg to move amendment 12, page 4, line 36, at end add—

'(1A) In section 31(1) of the 1998 Act, at end add—

"(1A) A person promoting an amendment to a bill in the Scottish Parliament shall on or before the lodging of the amendment state that, in his opinion, the bill if amended in accordance with the amendment would be within the legislative competence of the Parliament.".

(1B) In section 31(2) of the 1998 Act, at end add "and state the reasons for his view.".'.

The First Deputy Chairman of Ways and Means (Mr Nigel Evans): With this it will be convenient to discuss clause stand part.

Tom Greatrex: We have had the opportunity to discuss a number of amendments with interested parties, including the Law Society of Scotland. This amendment relates to the statements of legislative competence that are made in the Scottish Parliament. The Minister will be aware that, before introducing a Bill in the Scottish Parliament, it is the responsibility of Ministers there to issue a statement of legislative competence. It is also the responsibility of the Presiding Officer to make a similar declaration. The amendment deals with a situation in which amendments are tabled to such Bills, either by Ministers or by Members, including to private Bills. For example, the Bill on the Forth road crossing is a private Bill. Many Members' Bills are also dealt with in the Scottish Parliament.

It is important that, when the Scottish Parliament deals with legislation, it is aware that it is competent so to do. It is also important that the measures that come before it are appropriate. That has not always been the case for amendments, however. Our proposal also deals with Government amendments. A number of Bills, particularly technical Bills, have had a whole series of Government amendments tabled for which no declaration of competence has been made. It has therefore fallen to the Law Officers to consider those issues, post-stage 3 and before Royal Assent. Our proposal would enable that problem to be rectified, and would introduce a

[Tom Greatrex]

degree of consistency to the arrangements. This would bring confidence and competence to the work of the Scottish Parliament when legislative matters were brought before it.

David Mundell: As the law stands, only those members of the Scottish Government in charge of a Bill have to make a statement on its legislative competence when introducing a Bill in the Scottish Parliament. Clause 6, which amends section 31 of the Scotland Act 1998, will ensure that anyone who introduces a Bill in the Scottish Parliament is confident that it is within the Parliament's legislative competence and prepared to make a statement to that effect.

The Scottish Parliament's Standards, Procedures and Public Appointments Committee supports the amendment, agreeing with the Calman commission that a statement would provide a helpful and public indication that the legislative competence of the Bill had been carefully considered by those introducing it. The Scottish Parliament endorsed the Standards, Procedures and Public Appointments Committee's report on 29 September 2010.

Amendment 12 would require that the Member promoting the Bill must make a statement, when or before every amendment to a Bill is lodged in the Scottish Parliament, that, in his opinion, the Bill, if amended in accordance with the amendment, will be within the legislative competence of the Parliament. That would make the Scottish parliamentary system overly bureaucratic and complex and it is, in my view, unnecessary. Should there be any concerns about the legislative competence of a Bill passed by the Scottish Parliament, which might have been substantially amended during its passage, UK and Scottish Law Officers may refer questions of competency to the Supreme Court for decision under section 33 of the Scotland Act 1998.

The Calman commission also considered the argument that the Presiding Officer should state his reasons when making a positive statement about the legislative competence of a Bill—that is, a statement that the Bill is, in his view, within competence. This was rejected on the basis that it can be relatively easy to give reasons for thinking that a Bill is outside competence, which the Standing Orders currently require the Presiding Officer to do, but more difficult to give reasons why it is within competence. The commission's other main doubt was that exposing to public view any grey areas in relation to competence could provide ammunition to those who were politically opposed to the Bill, either during its passage or later, by providing the basis for a legal challenge. As the Calman commission reported, it would remain open to the Presiding Officer to add reasons to any positive statement about the legislative competence of the Bill, but concluded that it was unlikely that he would do so. On that basis, I urge the hon. Gentleman not to press his amendment to a Division and to support clause 6.

Tom Greatrex: I beg to ask leave to withdraw the amendment, although we reserve the right to revisit the matter on Report.

Amendment, by leave, withdrawn.

Clause 6 ordered to stand part of the Bill.

Clause 7

PARTIAL SUSPENSION OF ACTS SUBJECT TO SCRUTINY BY SUPREME COURT

Tom Greatrex: I beg to move amendment 13, page 5, line 28, after Officer', insert 'and the Law Officer making the reference under subsection (1)'.

The First Deputy Chairman of Ways and Means (Mr Nigel Evans): With this it will be convenient to discuss the following: amendment 14, page 5, line 30, leave out 'Edinburgh Gazette' and insert 'Belfast Gazette, the Edinburgh Gazette and the London Gazette'.

Amendment 15, page 5, line 31, leave out 'considers' and insert 'and the relevant Law Officers consider'.

Clause stand part.

Tom Greatrex: We have discussed amendments 13, 14 and 15 with a number of bodies, including the Law Society of Scotland, and we are attempting to clear things up and respect the doctrine of the separation of powers, so that the Executive can take responsibility for publishing references made by them in relation to the suspension of Acts subject to scrutiny by the Supreme Court. The Bill currently stipulates that the Presiding Officer shall publish the notice of any reference to the Court in the *Edinburgh Gazette*, and in other ways as he or she considers appropriate. As the Minister will be aware, the references will be made by one of the Law Officers, be it the Attorney-General, the Lord Advocate or the Advocate-General. Our contention is that the Law Officer making the reference should also have the responsibility to publish the fact of the reference, whether by publication or on a departmental website, so that it is not left to the Presiding Officer.

Amendments 14 and 15 deal with the publication of the notice, which the Bill currently states should be in the *Edinburgh Gazette*. To ensure consistency of approach, we suggest adding the *London Gazette* and the *Belfast Gazette* to the list of publications in which a reference must be published. That is significant, particularly as we are dealing with issues that are potentially subject to a reference to the Supreme Court.

Pete Wishart: There has been a lot of talk about the Supreme Court in the past week—it even reached First Minister's questions last Thursday—whether in connection with the limited references to it, or its being the final port of call for appeals in criminal cases. We need to know exactly what is going on. There has been talk of a number of secret clauses that have been proposed by the Advocate-General. As we understand it, they seek to remove the High Court of Justiciary as the final court of appeal for criminal cases in Scotland and to transfer limited responsibility to the UK Supreme Court. I want to know from the Minister whether those clauses exist. If they do, when will they be introduced? Will this House, as a body of elected representatives from Scotland, have the opportunity to discuss them? Just what will be the general process?

Jim McGovern: The hon. Gentleman mentions secret clauses, but he seems to know what they are, so just how secret are they?

Pete Wishart: I am not in the fortunate position of having seen those secret clauses, although I know of others who have, and they have caused them concern. However, we are discussing a Bill that has always been described as effecting the most significant transfer of powers since the creation of devolution 10 years ago, but we are doing so under what might be described as a cloak of secrecy. We have not had a chance to see those clauses. Why have they not been introduced? Why have we not had the opportunity to see them, and if they are to be introduced, when will we have the opportunity to debate them?

We have a number of issues with clause 7 that the Minister should consider before we proceed. In effect, it would transfer new, significant and substantial powers to the Law Officers of Scotland. The clause proposes an entirely new mechanism that would allow the Law Officers new responsibilities when it came to legislation, by having the authority to identify provisions in a Scottish Bill that they considered would not be affected by a reference to the Supreme Court. As I am sure we will hear from the Minister, the intention is to allow the Law Officers to refer a part of a Bill to the Supreme Court without affecting the remainder. However, the proposal has come out of nowhere, other than the fevered, exercised minds of the legal establishment in Scotland. It was certainly not considered by the Calman commission, which made no such recommendation. It has simply appeared in the Bill, and I would like to know exactly where it came from.

6.45 pm

The proposals in this clause raise a number of issues of principle and practice. There is simply no precedent for such an approach, and it is unclear what the status of the provisions affected by such a reference would be in law. It is for Parliament or the Government to decide when and how to implement legislation, not the courts. The clause re-describes the relationship between the legislature and the Supreme Court, yet it does not respect the separation of those roles. The clause would also allow the Law Officers to be judge and jury when deciding what the "unaffected provisions" were, and so decide which could or could not come into force. As I have said, these are substantial and significant new responsibilities for the Scottish Law Officers.

The proposals in clause 7 could also remove from Parliament and the Government the ability to judge on the overall coherence of legislation, and could have implications for the overall will of Parliament. They would also mean that, in making the call on whether to make a general or limited reference, the Law Officer concerned would need to assess whether the affected provisions were central to the Bill or whether it could proceed to Royal Assent without them. We know from our consideration of this Bill that Parliament considers Bills as a whole. Bills contain packages of measures, and support for a Bill as a whole may rest on the inclusion of matters of interest to Members which are not linked to its drafting. The proposals in clause 7 would create uncertainty and bring into question the status of Scottish Parliament legislation in a quite unacceptable way. They would also allow for changes in the law affecting the responsibilities of the courts and the Law Officers.

The clause is both unnecessary and undesirable, and has the potential to disrupt the good governance of devolved Scotland. I hope that the Minister will take a further look at it, because as it stands we have real difficulties with what is being proposed.

David Mundell: We have heard some unusual contributions from the Scottish National party, in this and other debates, but declaring amendments that the Advocate-General has published on his website to be secret is one of the more extreme. Indeed, I understand that there was an exchange in the Scottish Parliament last week during which, while protesting about the secrecy of the amendments, the First Minister had to concede that he had seen them.

I would agree with the hon. Gentleman that we are debating important issues, in that they relate to the laws and judicial system of Scotland, and that is why, in relation to proposed amendments to section 57(2) of the 1998 Act, the Government have adopted a consultative approach. He will be aware that the Advocate-General set up an advisory group to look into the issue. That group came back with certain views, which led to the formation of the clauses concerned, which are now the subject of further discussion and debate. They are not being moved in Committee in this House and are not part of our consideration of clause 7, and they are not referred to by amendments 13, 14 or 15, standing in the name of the hon. Member for Rutherglen and Hamilton West (Tom Greatrex).

Pete Wishart: The Scottish Parliament's Bill Committee has expressed great concern, because it cannot make any judgment on those secret amendments in its legislative consent motion. If those amendments are not to be introduced in Committee in this place, when will they be introduced? When will we, as elected Members, have the opportunity to debate and discuss them? What is the process for introducing those amendments? *[Interruption.]*

David Mundell: The hon. Member for Midlothian (Mr Hamilton) tempts me to answer that it is a secret, but it is not. Rather, it is part of the full legislative scrutiny of the Bill. As I suggested earlier, and as the Secretary of State's written ministerial statement suggested, we take the issues raised by the Committee, and the specific issues raised in relation to the clause, very seriously.

Cathy Jamieson: It might be helpful for those who are not au fait with all the technicalities if the Minister confirms that these specific clauses are not dealt with in the legislative consent motion that will be debated in the Scottish Parliament on Thursday, and that a further LCM will be required.

David Mundell: That is a helpful intervention, because the LCM that will come before the Scottish Parliament this week relates to the Bill as published, and as scrutinised by that Parliament's Committee—and also by this House. The LCM the Committee promotes suggests that if there are significant changes to the Bill—and, of course, the proposed amendments to section 57(2) of the 1998 Act would be significant—there would be another legislative consent process with the Scottish Parliament. The Government are clear in that regard. Also, as I understand it, the Scottish Government do not support the LCM promoted by the Committee.

Pete Wishart: When and where is the Minister going to introduce these measures, if, indeed, he is going to introduce them?

David Mundell: As I have suggested—as have the "secret" ministerial statement the Secretary of State made last week, the "secret" LCM Committee report, and the "secret" clauses that are on the website—the coalition Government are engaged in consultation and dialogue on these clauses. Indeed, so generous are we in that regard, that we will even take on board in our considerations the points the hon. Gentleman makes on these matters, but these amendments are not being moved at this stage. There is a further very significant point, which I would have thought would have satisfied the hon. Gentleman given the respect he has for the Scottish Parliament and its views: a further LCM would be required from the Scottish Parliament if significant amendments were being made in relation to section 57(2).

Stewart Hosie: Given the time scales, will it in fact be the next Scottish Parliament after the election in May that will have to consider a further LCM, were one to be requested if such amendments were going to be considered?

David Mundell: The hon. Gentleman is very astute: yes, there will be a Scottish Parliament election on 5 May, and, yes, the current Parliament will be dissolved on 22 March. It is therefore very likely that there will be another Scottish Parliament in place, but this coalition Government respect that Parliament and whatever Government emerge of whatever political colour, and we will engage in a constructive dialogue with whoever is in power in Holyrood.

On the Opposition amendments, currently entire Bills of the Scottish Parliament can be delayed, possibly for months, should just a single provision be referred to the Supreme Court to determine whether it is within legislative competence. Clause 7 of this Bill will amend the 1998 Act, not in the nefarious way the hon. Member for Perth and North Perthshire (Pete Wishart) suggests, but in a positive way, to prevent unnecessary delays to Bills where the majority of provisions are considered to be within the competence of the Scottish Parliament. The affected Bill would be submitted for Royal Assent by the Presiding Officer, while the disputed provisions would not come into force until the Supreme Court had reached a decision and Scottish Ministers had made the appropriate commencement order. The UK Government believe this is the most appropriate and sensible method of helping to ensure that the work of the Scottish Parliament runs as smoothly as possible. Members will wish to note that the Scotland Bill Committee in the Scottish Parliament accepted this provision, but asks for consideration to be made of the legislative procedure used. We will review that recommendation carefully.

The amendments would require the Law Officer making the limited reference, in addition to the Presiding Officer, to publish notice of the reference in the *Edinburgh Gazette* and also in the *London Gazette* and *Belfast Gazette*. Clause 7 already requires the Presiding Officer to publish notice of a reference in the *Edinburgh Gazette* and in such other ways as he considers appropriate. It does not prevent the Presiding Officer from publishing notices in the *London Gazette* or *Belfast Gazette*, or in any other paper or on any website, or in any other way he should wish—even secret ones.

Thomas Docherty: Perhaps the hon. Gentleman can satisfy a curiosity of mine. What is the *Edinburgh Gazette*, and where may one attain a copy of it?

David Mundell: The *Edinburgh Gazette* is one of the few newspapers in Scotland in which the hon. Gentleman does not appear. It is a formal publication in which formal Government, local authority and other governmental notices appear. I understand that it can be subscribed to, although it is not regularly available in most newsagents in Scotland. There is also a person with the title of the Queen's Printer for Scotland, who may also publish notice of the reference in such ways as they consider appropriate.

Pete Wishart: Is it not possible that the Queen's Printer may be abolished under the Public Bodies Bill? What would happen then?

David Mundell: I will look into the hon. Gentleman's specific query and write to him on it.

A requirement on the Law Officer to publish the notice of the reference would lead to three different people being responsible for publishing the same notices, and could be considered overly complicated and unnecessary. I therefore urge the hon. Member for Rutherglen and Hamilton West (Tom Greatrex) to withdraw the amendments and to agree to clause 7. I hope I have been able to ease the concerns of the hon. Member for Perth and North Perthshire in respect of possible future amendments to section 57(2) by confirming that the Advocate-General has set up an expert group to look into the issue, and that the group came forward with proposals that were put into the public domain and shared with the Scottish Government and the Scottish Parliament Bill Committee. They are still under consideration, which is why they are not being introduced into this House; we accept that these are important issues on which there should be full discussion, but that discussion is not yet at a sufficiently advanced stage for it to be appropriate to introduce amendments. On that basis, I commend clause 7 as it stands to the House.

Tom Greatrex: I am disappointed in some of the Minister's responses. I am aware that there is no preclusion on publication in the *London Gazette* or *Belfast Gazette*, but, in the interest of transparency, it would be a step forward if the publication were extended, particularly given the issues under consideration. He also rightly said that this means that at least two people have responsibility and perhaps we may consider a further amendment subsequently to deal with that point.

7 pm

I had an inkling that the hon. Member for Perth and North Perthshire (Pete Wishart) would discuss the secret amendments. Although the Minister may have had a bit of fun about the definition of "secret", they suggest that a lack of thought went into the processes that the Government have followed. If they wanted to avoid some of the hyperbolic language from the MSP who spoke to the Scottish Affairs Committee last week or the week before, it may have been sensible for them to have published those draft amendments, to have had a short consultation on them and then to have introduced them to the Bill at the right time. Scrutinising the Bill is very important and although there will be an opportunity to come back to those amendments, it would have been much better if we had seen them by now and been able to discuss them in this Committee. I reserve the right to come back to my amendments on Report, but I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Clause 7 ordered to stand part of the Bill.

Clauses 8 and 9 ordered to stand part of the Bill.

Schedule 1 agreed to.

Clause 10 ordered to stand part of the Bill.

Clause 11

AIR WEAPONS

Tom Greatrex: I beg to move amendment 17, page 7, line 26, after 'weapons', insert

"except those intended to be utilised in recognised international sporting competitions".

The First Deputy Chairman of Ways and Means (Mr Nigel Evans): With this it will be convenient to discuss the following:

Amendment 38, page 7, line 26, after 'air weapons', insert

"below a muzzle energy of 6 ft/lbs".

Amendment 3, page 7, line 27, leave out from '1968' to end of line 34.

Amendment 18, page 7, line 34, at end add—

'(1A) The Secretary of State shall have the power to issue regulations to deal with any cross-border issues arising from the operation of this section including but not limited to issues arising from the transport of air weapons from, or their use in, Scotland and England and Wales.'.

Amendment 39, page 7, line 34, at end add—

'(2) The use or possession of air weapons as defined in subsection (1) above which were acquired before the coming into force of any Act or other legislative instrument of the Scottish Parliament made as a result of this section shall until then continue to be subject to any regulations made under the Firearms Acts 1968 to 1997.'.

Clause stand part.

Tom Greatrex: There has been much discussion of this issue and I know that many hon. Members wish to contribute to this part of our consideration today, so I shall keep my remarks brief. This emotive issue was considered in detail by the Calman commission and I know from my own experience that lengthy discussion has taken place involving the Scotland Office, the Home Office and, on various occasions, the Scottish Government on issues associated with the control of air weapons. The current definition of "air weapons" has often been raised and I was slightly surprised to see that the Bill uses the 1968 definition, because an issue had previously arisen regarding the proper definition of "air weapons". I am sure that other hon. Members will deal with that in greater detail. I took the opportunity at today's Home Office questions to ask the Home Secretary when she planned to review that definition and one of her Ministers said that he was not sure but he would come back to me on it at some point. We need to be confident that the definition is appropriate in respect of what the Calman commission recommended on air weapons and therefore what the Bill tries to do.

Amendments 17 and 18 do not relate to that issue but are probing amendments dealing with a couple of specific areas, one of which is the treatment of air weapons for recognised sporting events and what happens when people travel to the Commonwealth games or another event through England and into Scotland. Amendment 18 deals with cross-border issues—for example, what happens when an airgun is licensed in Scotland but not in England and someone from England takes a weapon without a licence north of the border. The Minister represents a rural constituency on the border, so I am sure he will be aware of the potential for some of these issues to arise. The amendment seeks to ensure that there is a mechanism to deal with any of those issues. I am well aware that other hon. Members wish to discuss this matter in much more detail, so I shall draw my comments to a close.

Geoffrey Clifton-Brown (The Cotswolds) (Con): I wish to speak to my amendments 38 and 39. I do so as chairman of the all-party group on shooting and conservation, the secretariat for which is provided by the British Association for Shooting and Conservation, the specialist shooting body. The BASC has briefed me on these matters and I took some of its members to see the Secretary of State last week, when they were able to put the technical arguments against this matter being included in the Bill and thus becoming a devolved matter. I shall use the latitude that the clause stand part debate provides to make that argument, as well as the one for my two amendments.

My two amendments are straightforward. Amendment 38 seeks to withdraw all but the least powerful air weapons from these arrangements. Amendment 39 goes some way towards dealing with the cross-border issues that the hon. Member for Rutherglen and Hamilton West (Tom Greatrex) described and with the issue of weapons being legal in England and Wales but becoming illegal in Scotland if the matter were devolved and the Scottish Parliament were to use its powers under the Bill.

In arguing against this becoming a devolved matter, it might be useful if I put the whole thing into context. Shooting contributes £240 million to the Scottish economy and airguns are the entry point into the sport. It is estimated that there are some 500,000 airguns in Scotland, compared with 4 million to 7 million in the UK as a whole. They are owned for a variety of lawful purposes, such as target shooting and pest control. The majority of airguns do not carry any serial or other identifying number, and very few need to be held on the authority of a firearms certificate because their capacity is below 12 ft/lbs. The location of nearly all current owners is unknown.

Some 52% of all Scottish airgun crime takes place in the Strathclyde police area and this appears to be an urban problem, rather than a countrywide problem. The call in this Bill for the devolution of airgun legislation has been made following the tragic death of two-year-old Andrew Morton, who was shot with an airgun by 27-year-old Mark Bonini, a drug user from Glasgow. The subsequent tabloid outrage and a campaign by the Scottish nationalists has resulted in a "Scottish appetite" for airgun legislation to be devolved, despite the fact that the current criminal justice system worked by sentencing Mark Bonini to life imprisonment.

[Geoffrey Clifton-Brown]

There is therefore really no need for any further amendments to the firearms legislation. Numerous pieces of legislation are available to the police across Great Britain to deal with the misuse of airguns and three further pieces of airgun legislation have recently been passed by Westminster: the Anti-social Behaviour Act 2003, the Violent Crime Reduction Act 2006, and the Crime and Security Act 2010. The Scottish police can also use the offence of reckless discharge, which is not available south of the border.

Thomas Docherty: The hon. Gentleman said that 50% of these incidents took place in the Strathclyde police area and that there was some sort of link with this being an urban crime, not a rural one. Given that the Strathclyde police area stretches from the Dumfriesshire border with Ayrshire into the lowlands of the highlands, I am puzzled as to how he makes that link between urban crime and the Strathclyde police area.

Geoffrey Clifton-Brown: It comes from the number of offences that have been reported—no more, no less. The average number of Scottish airgun offences per annum since 1996 is 565 and the number of incidents has been falling since 2006-07.

The apparent rise in the use of airguns is likely to be the result of improved police reporting procedures, but other weapons, especially knives, are much more likely to be used in homicide offences in Scotland and, indeed, elsewhere. There is nothing peculiarly Scottish about airgun controls or crime, so there is no justification for creating a system for Scotland that differs from the current regime in England. It is not enough for Ministers to wash their hands of it on the ground that the democratic process will produce the right answer. The campaign for the devolution of powers regarding airguns has been fuelled by tabloid scaremongering such as that around the recent incident in Auchinleck in Ayrshire. It was initially reported that 18 schoolchildren had been shot by a sniper armed with an airgun equipped with a muzzle, but it later turned out that eight children had been hit by plastic pellets from a BB toy gun.

The coalition has rightly resolutely opposed knee-jerk legislation on firearms that is not based on sound evidence. The Calman commission produced no argument for devolving powers on airguns beyond the statement that

> "there is appetite to deal with airguns differently in Scotland."

I submit to the Minister that that is not a good basis for legislating on this matter. The commission produced no evidence to back that up.

The coalition has advocated having easily understood legislation that protects public safety, whichever part of the United Kingdom one comes from. Public safety is endangered by complex firearms laws, and having a different regime for airguns in Scotland will increase the complexity of firearms laws. Devolving power over airguns will destroy the internal logic of firearms legislation as a reserve power and will fuel calls for the devolution of all firearms law, which I note the Bill specifically does not do; all the most serious firearms legislation is still reserved to the United Kingdom Parliament. There are already 36 offences that can be applied in relation to airgun misuse. The most recent legislation—the requirement in the Crime and Security Act 2010 to ensure that children do not have unrestricted access to airguns—came into effect only last month.

There is good evidence to suggest that increased powers, proper enforcement and education are behind the fall in airgun misuse that is most pronounced north of the border. The Government and Parliament are in the middle of a review of firearms legislation in the wake of Whitehaven, and Parliament is awaiting a response from the Home Office to the Select Committee on Home Affairs report on firearms. Devolving power over airguns in Scotland would be premature, would ignore the wider review and would mean having piecemeal legislation on firearms in response to outrage, which would damage effective legislation and enforcement. The Association of Chief Police Officers in Scotland has stated that

> "in the ideal world, for the sake of lack of confusion…one set of legislation would be the best option",

and that, given the number of airguns in circulation,

> "in relation to cost and resources from a policing perspective, there would be a definitive impact".

It has also said that regulating airguns in Scotland could be difficult and costly. It stated:

> "Ideally, we would prefer them to come under the Firearms Act"—

that of 1968, to which the hon. Member for Rutherglen and Hamilton West referred, and that of 1997, in particular, both of which are referred to in my amendment—

> "so we don't have two sets of rules."

If a licensing system of air weapons was introduced, it would have a disproportionate effect on the operational capacity of the Scottish police forces. As I have said, they would not have the time or the manpower to deal with the issue properly. The new work load would require a serious displacement of staff from other more important fields such as crime prevention and detection. Any change to laws on airgun ownership proposed by the Scottish Government could criminalise an estimated 500,000 law-abiding airgun owners in Scotland overnight. The consequences of any change in controls over air weapons in Scotland would not be confined to Scotland, but no consultations have been launched to canvass the opinions of people in England and Wales who might be affected by such changes when they travel over the border. Any ban on air weapon ownership imposed by the Scottish Government would adversely affect trade and would lead to a significant bill for compensation for those who legitimately own air weapons. Is the Minister going to pay compensation to those people who suddenly find themselves with illegal weapons, or will the weapons simply become useless, in which case those people will lose out considerably?

7.15 pm

The absence of border controls between Scotland, England and Wales is likely to lead to non-compliance. If the Minister doubts that, let me cite an example. Since the 2004 English ban on self-contained air cartridge firearms, which are often called Brococks, of the 70,000 estimated to be in circulation, less than 10% have been registered, so there is widespread breaking of the law, but few people that I know of have been prosecuted because it simply is not possible to find them. Major restriction on air weapon ownership would make it impossible for Scotland to host the Commonwealth games or other major sporting events, as the hon. Member for Rutherglen and Hamilton West pointed out.

Let me put my suggestions and alternatives to the Minister and then I will conclude. Education is having an impact. BASC, which I have mentioned, runs "young shots" days, and the Scottish Countryside Alliance offers next-generation days, at which BASC Scotland provides airgun and shotgun tuition to teach and remind many hundreds of youngsters about the safe and proper way to use airguns—something to which we would all subscribe. We should continue to encourage the police to circulate BASC's airgun codes of practice, which already reach tens of thousands of people, and focus on enforcing existing law. We should also encourage people to try target shooting with airguns at clubs so that people of all ages can learn about the safe use of airguns in a controlled environment by qualified instructors and realise that airguns are capable of inflicting a lethal injury if misused.

I have to say to the Minister that I think the whole airgun issue has been driven by a tabloid press feeding frenzy on one or two incidents. I understand that, and the same thing would happen if those incidents occurred in England.

Jim McGovern: The hon. Gentleman mentions the tabloid press. I am sure he is aware that in the past week or so, the tabloid press have had a feeding frenzy about two football coaches in Glasgow falling out with each other, but there does not seem to have been the same feeding frenzy about an England football player taking an air weapon to a training ground and shooting someone.

Geoffrey Clifton-Brown: I welcome that intervention. I take any infringement of airgun law very seriously indeed. Anyone who has an airgun, firearm or shotgun should use it safely and according to the law. I do not diminish incidents when they happen; I am merely saying that whether they happened in Scotland or England there would be the same tabloid coverage. I simply say, in all seriousness to all concerned, that I think we are better with one set of UK-wide firearms legislation, given that this is such a serious subject, so that everyone who uses a firearm of any sort, whether a shotgun, airgun or licensed firearm, knows exactly what the law is. Having different laws in the Principalities of the United Kingdom will lead to trouble.

Pete Wishart: Doing things differently in Scotland from the rest of the United Kingdom is what we call devolution, and I say to the hon. Member for The Cotswolds (Geoffrey Clifton-Brown) that we make no apologies for representing our constituencies and communities. If this is the legislation that our communities want, it is up to us as their elected Members to secure it.

I strongly welcome the clause and I congratulate the Calman parties on introducing it. It is one of the few examples in the Bill of a real and positive transfer of powers from the Scotland Office to Scottish Ministers, in recognition of the very significant and different issues in Scotland. The hon. Member for The Cotswolds mentioned the tragic incident in 2005 when young Andrew Morton lost his life at the hands of someone with an airgun. It was not the tabloid press but his parents who started a remarkable campaign to bring the issue to public attention, and they were supported in that cause by politicians, civic groups and everyone who took an interest in the subject.

Michael Connarty: I worry when a Scottish National party Member accepts the kind of smear on Scotland that the hon. Member for The Cotswolds (Geoffrey Clifton-Brown) made. If we look at the press in England, we see there has been a succession of shootings and killings using handguns, not airguns, in and around the cities of England. The seriousness of the issue of deaths being caused by those carrying firearms is much greater in England than in Scotland, so let us not get things out of perspective.

Pete Wishart: I will come to the issue of firearms, which is central to our amendment, in order that we can, in Scotland, have responsibility for firearms, as well as for air weapons, which are, as we all acknowledge, a significant problem in our community. It is important that we have legislative responsibility for all such weapons in Scotland so that we can make our own laws, not just in regard to airguns, but in regard to all serious weapons.

A fantastic campaign led to calls for Scotland to secure legislative competence for airguns, which we are doing today. It led to the Cabinet Secretary for Justice, Kenny MacAskill, writing to Jacqui Smith several years ago to ask that Scotland be considered as a pilot area for the licensing of airguns, and subsequently to a summit of all stakeholders to consider the problem in Scotland and propose a way of dealing with it. Many interesting issues were explored at that firearms summit. The Scottish Government went as far as publishing the necessary parliamentary order to transfer the power quickly so that they could start to deal with the issue in Scotland.

Why do we want legislative competence? I have explained why we think the situation in Scotland is different and why Scotland needs the power, but what we can do with it? This might satisfy the hon. Member for The Cotswolds about our intentions: it is not about trying to stop sporting events or getting in the way of the Commonwealth games. That is nonsense. They will go ahead. Many constituents of mine enjoy and participate in events with all manner of rifles and I have no problem with that.

The power would allow us to examine the issue seriously. The intention is to put together a Scottish firearms consultative panel involving all the key stakeholders to establish a range of views on the issue. One of its first tasks would be to develop and consider the merits of a pilot licensing scheme for air weapons. This would enable the Scottish Government to test the practicalities of air weapon licensing. It would also test whether air weapon licensing can operate effectively without wider reform of the firearms legislation. A pilot could take place in one or more areas in Scotland.

Our strong view, as I said to the hon. Member for Linlithgow and East Falkirk (Michael Connarty), is that air weapons are only part of the story when it comes to dangerous weapons in Scotland. At the firearms summit in 2008 there was clear agreement that the current firearms legislation is not fit for purpose. Something must be done to improve the situation. It needs to be comprehensively reviewed. I accept that a review is taking place and we will wait to see its conclusions, but

[Pete Wishart]

we need action. If that cannot happen at UK level, and if the legislation is not satisfactory, we insist that firearms legislation control be handed to the Scottish Government so that we can make our own decisions about this critical issue.

Mr Davidson: The hon. Gentleman speaks about dangerous weapons. As he knows, more people are killed in Scotland by knives than by guns of any kind. Since its inception, the Scottish Parliament has had full control over knives, yet that problem has not been resolved. Will he clarify for me why he has such touching faith that simply transferring control over air weapons to Scotland will resolve the matter, when having full power over knives has not done so?

Pete Wishart: I am grateful to the hon. Gentleman for raising the topic of knives. I am sure he would be the first to congratulate the Scottish Government on reducing the number of knife-related incidents in Scotland in the past few years. It is a remarkable achievement that in four years of SNP government, we have made real progress in reducing knife crime significantly.

Geoffrey Clifton-Brown: The hon. Gentleman seems to be arguing that he wants to go further than the Bill by devolving all firearms legislation to Scotland. The Scottish Bill Committee, in which he placed so much faith at the beginning of the proceedings, was split on the vote. Clearly, it is not the overwhelming opinion in Scotland that all firearms legislation ought to be devolved.

Pete Wishart: I accept that, but it is our strong view that all firearms legislation should be devolved to the Scottish Parliament because it would enable us to ensure that we could deal with all the issues relating to firearms.

David Mundell: It would be helpful if the hon. Gentleman defined who "our" is. As he knows, the Scottish Government have tabled their own draft legislative consent motion in the Scottish Parliament, in which they agree with the clause and do not suggest that there should be any further devolution of powers in relation to air weapons.

Pete Wishart: As I said at the start of my remarks, we welcome the clause. It is a real transfer of power—one of the few transfers of powers in the Bill. Of course we support the clause. I have argued consistently that our intention is to improve and strengthen the Bill to deal with some important issues. If our amendment is accepted, we have an opportunity to deal not only with air weapons, but with firearms in their totality. Surely that is a better situation to be in than having responsibility for just one aspect.

David Mundell *rose—*

Pete Wishart: I know that I will get the same sort of question again, but I will give way to the Minister.

David Mundell: I do not want to be picky, but in the LCM that the Scottish Government have lodged, they suggest a significant number of amendments to the Bill and state their views on re-reservation and so on, but they are clear that they support the clause as it stands.

Pete Wishart: Indeed, we do support the clause as it stands. I know that the right hon. Gentleman is an astute follower of what happens in the Scottish Parliament, so he will have heard Kenny MacAskill and other colleagues saying on several occasions that what we require in Scotland is full control over all firearms legislation. That was the outcome of the summit held back in 2008 and that is what we seek to achieve this evening. We can achieve it. All we need to do is get the Committee to support us on amendment 3 this evening.

Michael Connarty: Will the hon. Gentleman explain how that would operate? I deal with firearms quite a lot in my constituency. I would like to hear what the difference would be if legislative control were transferred. The regime is very strictly run by the police, and the laws encompass everyone in the UK.

Pete Wishart: I am about to come to that. Let me explain first what we are trying to achieve with the amendment, and I will then deal with the hon. Gentleman's wider point. He may intervene again if he feels that he is not getting a satisfactory response.

Our amendment deletes a small section that states that power over the control of "specially dangerous" weapons remains with the Secretary of State. It ensures that the Scottish Parliament will have the power to legislate for all air weapons, including the "specially dangerous" weapons that require a firearms certificate. The Bill as it stands includes a power for the Secretary of State to designate "specially dangerous" air weapons, which would then fall under the reserved regime that applies to all other firearms. In that case, the power would lie with the UK Government and Ministers and would not be subject to any approval from Scottish Ministers or the Scottish Parliament.

We therefore propose that the relevant power be exercised with the consent of the Scottish Parliament, even if it is not transferred. We believe that this is important because there are different and distinct issues relating to firearms in Scotland. I do not want to mention specifically all the tragedies that have taken place. We have only to recall Dunblane several years ago to recognise the very real issues that we have in Scotland involving firearms. It would be much more sensible for all firearms to be under one control in one central point. Scottish police forces have taken great interest in our plea and they would be interested in developing and exercising it.

We want to avoid complication. Our amendment would devolve legislative competence for all air weapons to the Scottish Parliament. I intend to press the amendment to a Division because it is important. This is one of the few opportunities that we will get to improve the Bill significantly and ensure that all weapons are included in it. It is a small measure designed to improve the Bill, as we said we would, and I urge the entire Committee to support it.

Cathy Jamieson: I welcome the opportunity to make a contribution to this part of the debate. I hope it will be one based on the experience of representing an area that has had its fair share of difficulties with airguns, and of four years as the Justice Minister in Scotland, including at the time of the incident that has been referred to when a toddler lost his life in the east end of Glasgow as a result of an air weapon. Far from responding to any media frenzy, I hope that I was able as a politician to respond to the real tragedy for people in the local community, not least the child's parents, who witnessed the event and had to deal with the consequences.

At that point, when there were demands for an immediate, all-out ban on air weapons, I took the view that we should take a considered approach that looked at the evidence and brought together the police and other organisations. At that stage I met a number of those organisations. I believed that it was best to deal with the situation not through a piecemeal approach, but by working with the UK Government to secure changes on sentencing and tightening the legislation, which we did, and with a view to looking at how a licensing regime could operate in Scotland in future. I welcome the clause that will give the Scottish Parliament the opportunity to do something about this.

7.30 pm

Let me make a few comments to clear up some misunderstandings about the types of areas where there have been incidents with air weapons. The hon. Member for The Cotswolds (Geoffrey Clifton-Brown) said that most of these incidents occur in the Strathclyde region. If he looks at a map of the Strathclyde region, he will see its size and scale and note that it takes in not only cities and large towns, but small towns, rural areas, remote rural areas, islands and everything in between. It is not entirely accurate to suggest that because the figures relate largely to Strathclyde it is not a problem for the rest of Scotland. Indeed, the opposite could be argued; the region takes up so much of Scotland that if it is a problem there, we can be pretty sure that it is a problem elsewhere.

The hon. Member for The Cotswolds also mentioned an incident that occurred only a couple of weeks ago in Auchinleck, which is in my constituency. Of course, not absolutely everything that appears in the tabloid press is 100% accurate. Only a few weeks ago there was some interesting reporting of a junior football match between Auchinleck Talbot and Cumnock Juniors that suggested that mounted police were involved in something akin to the charge of the Light Brigade. A constituent suggested to me that when the horses came on to the pitch it was more like dressage than a charge, so I understand that things can be exaggerated. However, in an era of mobile phones and 24-hour news, I also understand that any incident witnessed in a local community is likely to get into the public domain quickly, as people will report it to newspapers or online, perhaps on Facebook. Indeed, that is where many of my constituents first heard about the incident in Auchinleck.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): Does the hon. Lady share my experience that the abuse of air weapons often involves not only the cases that make the newspapers, but the distressing circumstances of much-loved family pets being injured or killed when shot at? Those stories never make the headlines, but they nevertheless cause great distress in communities.

Cathy Jamieson: I absolutely agree. Of course, those are the types of incidents that local newspapers report far more regularly than national newspapers.

Information about the incident in Auchinleck quickly got into the public domain, some of which was not absolutely accurate. A number of school pupils were injured, albeit by what the hon. Member for The Cotswolds described as a toy BB gun—I have more to say on that in a moment—and required hospital treatment, so I hope that he is not suggesting that it is not necessary to have a serious look at how that gun got into the hands of the people who used it, what they were doing with it and why they became involved in such an incident. To be honest, I recognise where he is coming from in relation to his sporting and shooting interests, but I find it difficult to understand in any event why anyone living in an urban environment would require an air weapon in their home. It is time we looked at the issue, and I hope that that is something a licensing or other regime in Scotland could deal with.

I want to say something about firearms in general. I accept many of the points made by the hon. Member for Perth and North Perthshire (Pete Wishart), but I do not believe that at this stage we require responsibility for the whole range of firearms legislation to be devolved to the Scottish Parliament. However, I do think that it is incumbent on the UK Government—perhaps the Minister will indicate what discussions he will have or has had with Home Office colleagues—to ensure that the provisions of the 1968 Act still stand the test of time. The worst possible thing that could happen is that we devolve something and discover subsequently that we will have to revisit it, for example if the definition of what constitutes an airgun is no longer seen to meet the needs of the legislation we are devolving.

I want to say something on BB guns, because I know that in many instances they are the weapons—I use the word "weapons" rather than "toys" because of the damage they can inflict—that cause exactly the problems that the hon. Member for Banff and Buchan (Dr Whiteford) identified. I also believe that there is a gap in the legislation, because those weapons appear to be easily available, particularly to children and young people. The fact that they are not covered by legislation sends entirely the wrong message. I would be interested to hear whether the Minister will have discussions with his Home Office colleagues to take that forward.

I appreciate that other Members want to comment in the debate and so do not intend to speak for much longer. I feel that the time is right, and I have given the matter careful consideration because my initial response when Justice Minister, as I have said, was that we should not legislate or press for legislation in haste. It is four years since that time, and considerably longer since the incident in Easterhouse, so no one could accuse us of legislating in haste when we take these measures forward.

Geoffrey Clifton-Brown: The hon. Lady is making a cogent and reasonable case, and I am interested to hear what she has to say as a former Justice Minister. In the Andrew Morton case, as I said in my contribution, Mark Bonini was sentenced to life imprisonment, so what does she think it is about the current laws that is not working and needs to be modified?

Cathy Jamieson: I hear what the hon. Gentleman says, but I say to him gently that the people of Easterhouse, and perhaps people more widely in Scotland, feel that legislation that would prevent someone like that from having an air weapon in their home in the middle of Easterhouse would be of assistance. That is why there is strong support in Scotland for a ban on air weapons.

[Cathy Jamieson]

That is not the province of any particularly political party, but something that has united people across political organisations and local communities.

I said that it is not about legislating in haste. I believe that the time has come to look at how we can ensure that no other family goes through the same trauma as did the family in Easterhouse, but we will do that by having workable legislation. I end on a note of caution, because there are a number of areas where I think a great deal of further work needs to be done to ensure, for example, that the cross-border issues are manageable. We need to look at that in detail. It is entirely possible to look at exemptions for sporting activity, and I know from my previous experience in the Scottish Parliament that fruitful discussions were held, and I am sure continue to be held, on the transport and use of guns for sporting activities. This should not be the end of the matter. If the proposal is included and the Bill passed, it will be a stepping stone on a journey to ensure that, wherever possible, we avoid such incidents as have been described and are able to look at how best the existing firearms legislation throughout, importantly, the United Kingdom can be strengthened. In particular, I make the plea, which I shall repeat when the review reports, for the careful consideration of including in legislation BB guns and weapons like that to ensure that they do not fall into the wrong hands.

Mrs McGuire: I am delighted to follow my hon. Friend the Member for Kilmarnock and Loudoun (Cathy Jamieson). For those colleagues who are not aware of her work as a Justice Minister, I hope that they will see what she managed to do when she held that difficult position and airguns became a major issue in Scotland. I acknowledge what she did.

I fear that the hon. Member for The Cotswolds (Geoffrey Clifton-Brown), for whom many in the House have great respect, has taken a big hit tonight, because in prosecuting his case he fails to understand that the issue of air weapons is slightly different in Scotland. That is why we feel it important to allow the Scottish Parliament to regulate air weapons in Scotland. I, like the hon. Member for Perth and North Perthshire (Pete Wishart), have a large rural constituency, and I have had no correspondence—letters or e-mails— at all on the issue, yet many in my constituency see air weapons as part of an introduction to country sports, and I fully recognise that.

I fear also that the hon. Member for The Cotswolds anticipates what a Scottish Parliament might do with such powers, but he has to recognise that it has Members with urban constituencies and many with rural constituencies, and they will take into account the balances that have to be struck to ensure that they do not undermine a way of life or an activity that is important to many communities in Scotland.

When the legislation banning handguns was passed in 1997, one argument was that it would undermine sporting activity. That has not happened, because in that legislation we ensured that there was a tight regime and that any sporting activity was conducted in a safe context. That is what we are asking for in the Bill before us, because the debate has thrown up some issues that could cause confusion if they are not attended to properly.

I agree with my hon. Friend the Member for Kilmarnock and Loudoun that we need to be clear about what we are doing in passing this element of the Bill. Indeed, on Second Reading, I asked the Minister whether he had consulted his colleagues in the Home Office to ensure that we had the definitions right and did not allow some air weapons to fall outside the legislation. I should still be interested to know what discussions he or his departmental colleagues have had with the Home Office to ensure that we get the definitions right.

I fully support the probing amendments that my hon. Friend the Member for Rutherglen and Hamilton West (Tom Greatrex) has tabled, because the issue is not just about passing this element of the Bill, but about instilling in the House the confidence that, in passing the legislation, we have in place all the other elements that are required to make it an effective piece of devolution, while maintaining safety both north and south of the border and not allowing for any confusion, which might exist if we do not get the legislation right for those people who, as the Minister will know, cross the border regularly. I hope that he will deal with the specific issues that have been raised. This is an issue not of principle, but of detail, and I hope that he will be able to give us some assurances this evening.

7.45 pm

Michael Connarty: I approach the issue from a slightly different position. I support clause 11, because it is sensible to route such decisions to the Scottish Government, and amendments 17 and 18, which I hope the Government will take on board. Strangely, in a Committee of the whole House, Members do not necessarily receive from the Government the moderate responses that they would if they were in Committee off the Floor of the House and outwith the view of the television cameras. Often, Ministers see the sense in amendments and accept them, but this is a much more public arena, so we might not get from the Government Front Bencher tonight the sensible response that we would have had if we had been off the Floor of the House. That is one of the problems of this theatre, as some people regard the Chamber.

I have had to handle many matters to do with guns—to do with normal firearms—because there is quite a large shooting fraternity in my constituency. My constituency is mostly urban, but it has a rural hinterland where people shoot in clubs, to get rid of vermin, which is what farmers consider rabbits to be, and they go further north to shoot deer. It is an urban environment, and with reference to the remarks of my good Friend the Member for Kilmarnock and Loudoun (Cathy Jamieson), strangely, where somebody lives does not necessarily determine whether it is right for them to have a weapon of any kind; the question is what they are going to use it for, whether it is properly secured and whether they are properly licensed, controlled and monitored by the police.

I hope that in this Bill we are giving to the Scottish Parliament the power to think about—in keeping the whole thing in perspective—what I would call regulation rather than prohibition. The hon. Member for The Cotswolds (Geoffrey Clifton-Brown) is partly concerned by the idea, whipped up by whomever, for whatever reasons and with the aid of whatever quality press, that we are talking about—and we do use the phrase—a ban on airguns in Scotland. I hope that that is not the case, and we are not talking about someone running such a campaign.

The problem with prohibition, which was very well exhibited in the USA when they tried to ban alcoholic drink, is that the banned item just goes underground. In that situation, weapons would not only be used but traded, and unfortunately a large number of illicit users might misuse them, so I hope that the Scottish Government are sensibly thinking about a regulatory regime for air weapons. People say that a licensing scheme will cost so much money that it will be easier or, certainly, cheaper to introduce a ban, but I hope that in Scotland there is a sense of perspective, so that the issue, when it is transferred, will be about regulation, not prohibition.

That is not at all to diminish the serious effects of the deranged misuse of such weapons. The hon. Member for Banff and Buchan (Dr Whiteford) was right to point out that a lot of damage is done by misuse, particularly to domestic animals in our communities. I am sure that it does not happen just in communities in Scotland, either, and that the hon. Member for The Cotswolds did not mean to smear the good name of urban communities in Scotland, because we know of the terrible catalogue of murders by people using guns—firearms, not airguns—in England. I am sure that airguns are misused a lot in communities in England.

Geoffrey Clifton-Brown: The hon. Gentleman has been a Member for a long time and, in fact, as long as I have. I did not in any way mean to smear the people of Scotland, as he has inferred from my remarks; that was not what I said at all. Does he, in turn, recognise that the vast majority of firearms offences and, indeed, airgun offences are carried out by unlicensed users? We can have in place whatever regime we like, but those offences will still occur from time to time.

Michael Connarty: I wish that we could expunge from the memories of the people of Scotland, particularly central Scotland, the fact that a licensed gun owner used guns that were then allowed to create the carnage at Dunblane. It is not wrong to say that by regulating and banning the possession of handguns we did something very positive. There are times when controls are needed. In the United States of America, people can buy what are basically machine guns over the counter; we cannot, thank goodness. This obviously has a lot to do with the person who misuses the weapon, but it is also about its availability in the first place.

I hope that whatever regime is introduced in Scotland will be strict. A regular firearm user who is a hunter recently came to see me about relicensing and could show me that they had a strongroom that was totally secure, which meant that access to their guns would be very difficult for anyone. Their licence was approved by the local police, and it was a very thorough operation. I do not know whether that operation could be replicated for airguns, but that would stop a lot of the illicit possession. It is much easier for the local community around the area to know that someone is misusing such a gun if they possess it without a licence, in a similar way as applies to the possession of ordinary guns. I hope that my hon. Friend the Member for Kilmarnock and Loudoun agrees with that.

I hope that the Minister is listening to the support for these small amendments, which are useful and helpful. With apologies to those who aspire to have this in Scotland because we are Scottish, there are some serious types of airguns that should be licensed universally on an all-UK basis. That will not undermine the ability of our communities to know that people who have unlicensed airguns can be immediately notified to the police to have those firearms removed.

David Mundell: I welcome you to the Chair, Mr Benton.

I can assure the hon. Member for Linlithgow and East Falkirk (Michael Connarty) that nothing that the Government put forward this evening is in any way determined by the fact that these proceedings are televised. I hope that we are bringing forward a reasoned response to important issues that have been raised in the debate on these amendments.

I wanted, during this discussion, to clarify the SNP's position, and I am sure that the hon. Member for Perth and North Perthshire (Pete Wishart) will understand why. I think that the logical explanation is that we now have devolution in the SNP, with a London SNP that is proposing an amendment to clause 11 and an Edinburgh SNP that is in agreement with it as it stands. In those circumstances, I find it extremely odd that the hon. Gentleman suggested that he was going to push this matter to a Division. He will have seen the Scottish Parliament's Scotland Bill Committee report, which, in paragraphs 142 to 144, confirms that it was a unanimous view of that Committee that clause 11 should be supported. It states:

> "We note that this excludes those air rifles, air guns or air pistols which are of a type declared by rules made by the Secretary of State under section 53 of the 1968 Act to be 'specially dangerous'. These particular weapons are already banned and we see no reason why this would change."

The Committee went on unanimously to recommend support for clause 11.

Dr Whiteford: I have here a copy of the Scotland Bill Committee report, which came out last week. If the right hon. Gentleman looks at paragraph 142 and the footnote attached to it, he will see that in fact there was a division on that point and the view was not unanimous at all.

David Mundell: The hon. Lady will also be aware of the text of the LCM to be put forward by the Scottish Government. Her Scottish Parliament colleague, Fiona Hyslop, kindly sent it to me, listing several clauses to which the Scottish Government want changes made. Clause 11 is clearly stated not to be one of them.

Dr Whiteford: May I once again draw the Minister's attention to paragraph 142 and footnote 28, which clearly show that two members of the Committee, Brian Adam and Tricia Marwick, caused a split on the issue? Will he acknowledge that for the record?

David Mundell: I acknowledge for the record that the vote took place, but I also point out to the hon. Lady annex A, where the minority views on the issues on which her colleagues felt particularly strongly are set out, clearly stating their disagreement.

Stewart Hosie: This is not good enough. The Minister said that the Bill Committee was unanimous, but the footnote makes it clear that it was not—there was a division and a split vote. Will he now take the opportunity to correct what he said so that the Committee is not inadvertently misled by his earlier remarks?

David Mundell: I certainly would not want the Committee to be misled by anything that I said. I referred to the paragraphs in the Scotland Bill Committee report, where it is clear that the Committee formed the view that it did. It is also clear that the Scottish Government have come forward with an LCM that supports this clause as it stands.

Clause 11 devolves a power to the Scottish Parliament in relation to the regulation of air weapons. This would enable the Scottish Parliament to legislate, if it wished, to create a separate regulatory regime for air weapons in Scotland. Members will wish to note that, as I said, the Bill Committee in the Scottish Parliament accepted the provision, and we wait to see the outcome of the debate on its LCM and the LCM proposed by the Scottish Government.

After careful consideration, the Calman commission concluded that firearms law should not be devolved in full. It is generally acknowledged that the UK already has some of the toughest firearm controls in the world and that the current unified regime represents the best way of tackling the problems that exist in relation to armed crime. The commission did recommend devolving power over a specific category—air weapons. The Government agree with this recommendation. Air weapons are the type of guns most often involved in firearms offences, and given the nature of their misuse most frequently to cause criminal damage, as we have heard, they are best controlled at the level closest to those affected. Reference was made to the specifics of the recent incident in Auchinleck, which demonstrated and reaffirmed the continuing concern in Scotland about the use of air weapons.

Cathy Jamieson: Given the Minister's comments, will he make it clear for the record that if the clause goes through and the Bill is passed, a future Scottish Parliament could, if it wished, ban air weapons completely?

David Mundell: The hon. Lady makes an important point that also relates to the concerns of my hon. Friend the Member for The Cotswolds (Geoffrey Clifton-Brown). In fact, passing the clause will not in itself ban air weapons of the category defined in Scotland. That is a point that I want to make to my hon. Friend.

8 pm

Cathy Jamieson: I appreciate that, but the point I was trying to get at, although perhaps I did not make myself clear enough, was whether, if the Bill is passed, the Scottish Parliament could enact a complete ban on air weapons if it chose to do so.

David Mundell: The Scottish Parliament will be able to enact a complete ban on air weapons that fall within the definition. The important point for colleagues such as my hon. Friend is that those who do not agree with that course of action will be able to argue their case in the Scottish Parliament. The hon. Member for Kilmarnock and Loudoun (Cathy Jamieson) set out a strong case on the basis of her considerable experience, respected views and strong beliefs. I felt that my hon. Friend also set out a strong view, although Opposition Members and indeed Members of my party in the Scottish Parliament might not subscribe to it. It is important that people who hold such views move the argument on to the Scottish Parliament if the clause is agreed to, because that is the appropriate place for the debate to take place.

Michael Connarty: Will the Minister clarify the other point that he made? If I understood him correctly, he said that the air weapons that are not covered by the Bill, which the SNP is trying to amend so that they have power over such weapons, are already banned. The only thing that could be done differently would be to unban them. The SNP is therefore asking for the power to unban weapons that are banned. Is that correct?

David Mundell: The hon. Gentleman makes a useful intervention. The division that took place in the Scotland Bill Committee in the Scottish Parliament, to which we have referred, was on exactly that point.

Geoffrey Clifton-Brown: Does my hon. Friend agree that it would make a nonsense of all firearms laws if the Scottish Parliament banned air weapons completely, because people would still have legitimate licences for serious firearms, while airguns would be banned? Does he agree that that would be a complete anomaly?

David Mundell: I do not accept that it is inevitable that the clause or the Bill will lead to an anomalous situation. As I have said, it is for those who advocate a ban to make their case and for those who believe that it would be a retrograde step to make theirs.

As the hon. Member for Kilmarnock and Loudoun said of her time as Justice Minister—I am sure this is also the case with the current Justice Minister—the Scottish Government need to have a close working relationship with the Home Office and the Home Secretary to ensure that there is a coherent interlinking of the measures determined here and in Scotland, just as with any devolved matter. I assure the right hon. Member for Stirling (Mrs McGuire) that there have been discussions on all aspects of the Bill with the relevant Departments. The Secretary of State for Scotland has met the Home Secretary. We are clear that the clause will provide the Scottish Parliament with the powers it needs to deal with air weapons, as proposed by the Calman commission.

Mrs McGuire: Will there be a clear definition of what exactly is understood by "air weapons"? It is not the discussions that are important, but the definition and the clarity of the legislation.

David Mundell: I will come on to that later in my remarks. We are satisfied that the definition, as set out in this legislation, is appropriate to deal with the issues raised by the Calman commission.

Cathy Jamieson: Given my concern about BB guns, will the Minister answer the question that I posed about whether he has had any discussions with the Home Office on that matter? Is there a way to ensure that the Scottish Parliament can deal with that problem?

David Mundell: The hon. Lady has just under three weeks to raise that issue in the Scottish Parliament in her capacity as a Member of that Parliament. On a UK basis, I am happy to undertake to raise with the Home Secretary the concerns that she has set out this evening.

Stewart Hosie: That answer was interesting. Presumably it means that BB weapons, such as those that have been described, are not covered by the legislation, in terms of being devolved to the Scottish Parliament. Will the Minister confirm that that is the case?

David Mundell: My understanding is that the Scottish Parliament would at this stage be able to take forward its own proposals in relation to a gun or implement of that type. As I understand it, we are not at the stage of having a definition for the weapon in relation to the incident, but there are implements of that nature for which the Scottish Parliament already has the power to make provision, as the hon. Gentleman knows.

Fiona O'Donnell (East Lothian) (Lab): Will the Minister confirm that BB guns are covered by the 1968 Act?

David Mundell: There are definitions in the 1968 Act of certain weapons. A BB gun is not defined as a type of gun in that regard. It would be within the remit of the Scottish Parliament to make provisions in that regard as part of its ongoing responsibilities.

The clause will allow the Scottish Parliament the freedom to design its own controls over air weapons, while allowing the UK Government to retain a consistent regulatory framework across the UK for the most dangerous weapons. That will send the clear signal that the UK does not tolerate deadly weapons. As I have said, it is important to note that we are considering not what law on air weapons should apply in Scotland, but who should be responsible for taking that decision. The clause will not automatically create a separate regime in Scotland, but it will give the Scottish Parliament responsibility for that decision. Any consideration of an alternative regime will require the Scottish Government, the Scottish Parliament and other stakeholders to listen to all the views represented in Scotland and, crucially, to work through any cross-border issues that arise.

Amendment 39 would ensure that the 1968 Act continues to apply until the Scottish Parliament puts a new regulatory regime in place.

The Temporary Chair (Mr Joe Benton): Order. I am sorry to interrupt the Minister, but the background noise is getting too high and it is difficult to hear. I want to hear the Minister.

David Mundell: Thank you, Mr Benton.

I assure my hon. Friend the Member for The Cotswolds that the control of air weapons in Scotland will not fall into a state of limbo. By devolving power, we are not disapplying the present regime, but simply allowing the Scottish Parliament to change the laws that currently apply to air weapons, should it so wish. Until such a time, the existing rules will apply. I therefore suggest to my hon. Friend that his amendment is unnecessary.

Amendment 17 would prevent the Scottish Parliament from putting any controls on air weapons intended for use in recognised international sporting competitions. The Government recognise the legitimacy and responsibility of those who take part in safe and undoubtedly well-regulated use of air weapons for target shooting purposes. We fully accept that individuals engaged in such activity are highly unlikely to misuse their weapons.

I also understand concerns that devolved powers could be used in such a way as to prevent such competitions from taking place in Scotland and that that would affect disciplines in the Commonwealth games. Although I understand that the air pistols and air rifles used at that high level of competition are relatively expensive and built to high specification for their grip and accuracy, it would be difficult in practice to distinguish those intended for such use from other high-spec weapons that are used in lesser competitions or for hunting small game or for vermin control.

The Calman commission took the view, and the coalition Government agree, that there is a case for air weapons being controlled at the most local level. We must accept that the natural result of devolution is that separate rules may apply in different areas of the UK. Apart from the question of principle, it would be confusing and potentially difficult to split air weapons into different categories when there is no clear difference in muscle energy between a gun used for competition shooting at an international level and one used for lesser competitions or other sporting purposes.

Amendment 38 would restrict the power of the Scottish Parliament to air pistols and air rifles with a muzzle energy below 6 foot/lbs. That means that any air rifle that has a muzzle energy between 6 and 12 foot/lbs would not be subject to any new controls that the Scottish Parliament tried to introduce, but remain subject to the Firearms Act 1968. Most modern air rifles fall within that range. Anything above what is already declared to be "specially dangerous" by rules made by the Secretary of State under section 53 of the 1968 Act becomes subject to the requirement to hold and abide by a firearms certificate under section 1 and will not be devolved. It is right to retain a common framework across Great Britain for the most lethal weapons. As I have already said, I see no reason to try to split responsibility for the lower powered air weapons that we are devolving in the Bill. Calman did not recommend that, and it is wrong that the Scottish Parliament should not be able to exercise control over the majority of air rifles in use today.

Amendment 3 would omit the words in the exception to the reservation, which provides for the Home Secretary to retain powers for declaring air weapons "specially dangerous". Those are subject to stricter controls because they need to be tackled on a consistent basis throughout the United Kingdom. The effect of declaring an air weapon "specially dangerous" is that it becomes subject to the requirement to hold and abide by a firearms certificate under section 1 of the 1968 Act. Currently, air pistols that generate a muzzle energy in excess of 6 foot/lbs and other air weapons that generate a muzzle energy in excess of 12 foot/lbs are declared to be specially dangerous for those purposes.

In essence, air weapons that are the subject of such rules or orders are classified as firearms under section 1 or prohibited weapons under section 5. Since the regulation of such firearms and prohibited weapons will remain reserved, as recommended by Calman, it follows that the power to decide what is a section 1 firearm or a prohibited weapon should also remain reserved.

Amendment 18 would address cross-border issues, which several hon. Members raised. We should remind ourselves that the Bill is simply devolving the power to regulate air weapons—not setting out the framework

[David Mundell]

for regulation itself. Any discussions about future operational challenges are therefore largely hypothetical at this stage. How far any alternative regime will differ from that which applies in England and Wales has yet to be determined. As I said, I encourage my hon. Friend the Member for The Cotswolds to try to ensure that the debate that he set out this evening moves to the Scottish Parliament, if it is to consider those matters. Of course I accept that there could well be differences in its approach to controls, but that is a natural consequence of devolution.

The Scottish Government will, of course, need to consider carefully how any new controls in Scotland will dovetail with the law in England and Wales, Europe and the rest of the world. I am sure that they will consult widely if they choose to change the law. If the Scottish Government introduced licensing for air weapons, they would need to consider what form of temporary licence a visitor from outside Scotland needed on or before entry. Any such temporary licence could not be checked if the visitor's first port of call was England or Wales, so the Scottish Government would need to think about how they might enforce such a requirement.

Geoffrey Clifton-Brown: Will my right hon. Friend address the point that I made before he concludes? What will happen to those people who currently have air weapons that are perfectly legal but would become illegal if the Scottish Parliament changed the rules? Would they be compensated?

8.15 pm

David Mundell: It would be entirely for the Scottish Parliament to determine what regime it introduced if it created a restriction. It would not be a matter for the coalition Government. There was no suggestion of compensation from this Parliament or Government.

I recognise the strength of feeling of hon. Members of all parties on the issue. As I said, there are important implementation matters to be considered, alongside awareness raising and education to ensure that those who currently hold and use air weapons lawfully are not unwittingly affected. However, I would argue that these are questions for the Scottish Parliament. Today, we are considering whether to support the recommendation of the Calman commission, which the Government have included in the Bill and has the support of the Scottish Parliament Committee. I therefore urge hon. Members not to press their amendments to a vote.

Tom Greatrex: I am disappointed with some of the content of the Minister's response. In respect of amendment 17, I understand that the Scottish Parliament and the SNP—whether the Edinburgh SNP or the London SNP—is included in a cross-party understanding of what is required to ensure that the Commonwealth games are properly protected. I am sure that that will endure.

I am more confident about that than on the Minister's comments on amendment 18. The amendment is intended to be helpful to the UK Government, which has a responsibility to ensure cohesion, so that things do not slip through the net.

I was concerned with the Minister's hesitation on BB guns in response to my hon. Friends the Members for Kilmarnock and Loudoun (Cathy Jamieson) and for East Lothian (Fiona O'Donnell). They highlighted the point on definitions that I tried to make at Home Office questions earlier. I hope that he will reflect properly on that prior to Report, particularly in the light of the points made by my right hon. Friend the Member for Stirling (Mrs McGuire).

I am conscious that a number of hon. Members are in the Chamber and I am sure they have other things to get on with this evening. I hope the Minister reflects on my proposals. If he is unable to change his mind, we may return to them on Report. I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Amendment proposed: 3, page 7, line 27, leave out from '1968' to end of line 34.—*(Pete Wishart.)*

Question put, That the amendment be made.

The Committee divided: Ayes 8, Noes 392.

Division No. 216] **[8.18 pm**

AYES

Hosie, Stewart
Llwyd, rh Mr Elfyn
Lucas, Caroline
MacNeil, Mr Angus Brendan
Robertson, Angus
Weir, Mr Mike
Whiteford, Dr Eilidh
Wishart, Pete

Tellers for the Ayes:
Jonathan Edwards and
Hywel Williams

NOES

Abrahams, Debbie
Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Alexander, rh Mr Douglas
Ali, Rushanara
Amess, Mr David
Anderson, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Austin, Ian
Bacon, Mr Richard
Bagshawe, Ms Louise
Bailey, Mr Adrian
Bain, Mr William
Baker, Norman
Baker, Steve
Baldry, Tony
Balls, rh Ed
Barclay, Stephen
Baron, Mr John
Barron, rh Mr Kevin
Barwell, Gavin
Bayley, Hugh
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benn, rh Hilary
Benyon, Richard
Beresford, Sir Paul
Berger, Luciana
Berry, Jake
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunt, Mr Crispin
Bone, Mr Peter
Brady, Mr Graham
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Bryant, Chris
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Byrne, rh Mr Liam
Cable, rh Vince
Campbell, Mr Alan
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clifton-Brown, Geoffrey
Coaker, Vernon
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Connarty, Michael
Cooper, Rosie
Cox, Mr Geoffrey
Crabb, Stephen
Crausby, Mr David

Crockart, Mike
Crouch, Tracey
Cryer, John
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Davey, Mr Edward
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
Davies, Glyn
Davies, Philip
de Bois, Nick
De Piero, Gloria
Dinenage, Caroline
Djanogly, Mr Jonathan
Docherty, Thomas
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle, Gemma
Doyle-Price, Jackie
Drax, Richard
Duncan Smith, rh Mr Iain
Elliott, Julie
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Engel, Natascha
Esterson, Bill
Eustice, George
Evans, Chris
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Fitzpatrick, Jim
Flint, rh Caroline
Foster, rh Mr Don
Francis, Dr Hywel
Francois, rh Mr Mark
Freeman, George
Fullbrook, Lorraine
Gale, Mr Roger
Gardiner, Barry
Garnier, Mr Edward
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gilmore, Sheila
Glen, John
Glindon, Mrs Mary
Goodman, Helen
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Greatrex, Tom
Green, Damian
Greenwood, Lilian
Grieve, rh Mr Dominic
Gummer, Ben
Gwynne, Andrew
Halfon, Robert
Hames, Duncan
Hamilton, Mr David
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Harris, Mr Tom
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hilling, Julie
Hinds, Damian
Hollingbery, George
Hollobone, Mr Philip
Hood, Mr Jim
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, rh Simon
Hunt, Tristram
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
James, Mrs Siân C.
Jamieson, Cathy
Javid, Sajid
Johnson, Diana
Johnson, Gareth
Jones, Andrew
Jones, Mr David
Jones, Graham
Jones, Mr Marcus
Jones, Susan Elan
Joyce, Eric
Kawczynski, Daniel
Keeley, Barbara
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Latham, Pauline
Lavery, Ian
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Leech, Mr John
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Leslie, Chris
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Long, Naomi
Lopresti, Jack
Loughton, Tim
Lucas, Ian
Luff, Peter
Lumley, Karen
Main, Mrs Anne
May, rh Mrs Theresa
Maynard, Paul
McCann, Mr Michael
McCartney, Jason
McCartney, Karl
McClymont, Gregg
McDonagh, Siobhain
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McIntosh, Miss Anne
McKechin, Ann
McVey, Esther
Mearns, Ian
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Andrew
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, Grahame M.
(Easington)
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munn, Meg
Munt, Tessa
Murray, Ian
Murray, Sheryll
Murrison, Dr Andrew
Nash, Pamela
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
O'Brien, Mr Stephen
O'Donnell, Fiona
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perkins, Toby
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pound, Stephen
Pugh, John
Qureshi, Yasmin
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reeves, Rachel
Reid, Mr Alan
Reynolds, Jonathan
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Sarwar, Anas
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Sheridan, Jim
Simmonds, Mark
Skidmore, Chris
Skinner, Mr Dennis
Smith, rh Mr Andrew
Smith, Angela
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Nick
Smith, Owen
Soubry, Anna
Spellar, rh Mr John
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stringer, Graham
Stuart, Ms Gisela
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Teather, Sarah
Timms, rh Stephen
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Twigg, Derek
Tyrie, Mr Andrew
Umunna, Mr Chuka
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David

Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Willott, Jenny
Wilson, Phil
Wilson, Mr Rob
Winnick, Mr David
Winterton, rh Ms Rosie
Wollaston, Dr Sarah
Woodcock, John
Wright, David
Wright, Mr Iain
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mr Philip Dunne and
Mark Hunter

Question accordingly negatived.
Clause 11 ordered to stand part of the Bill.

Tom Greatrex: On a point of order, Mr Benton. In exchanges on clause 7, the Minister responded to a comment from the hon. Member for Perth and North Perthshire (Pete Wishart) about so-called secret clauses and said that they had been placed on the website of the Advocate-General. We have subsequently sought to find those clauses on that website, but have been unable to locate them, so can you advise the Committee on how we might be able to do so?

The Temporary Chair (Mr Joe Benton): That is not really a point of order to which the Chair can respond, but I will allow the Minister to clarify the position.

David Mundell: I will e-mail the hon. Gentleman with the relevant details.

Stewart Hosie: Further to that point of order, Mr Benton. The Minister has generously offered to e-mail those secret amendments to the Front-Bench spokesman of the Labour party. I take it that he will want to communicate with the whole Committee, so placing the amendments in the Library would be more helpful.

David Mundell: I am happy to accede to that request, Mr Benton.

Clause 12

INSOLVENCY

Question proposed, That the clause stand part of the Bill.

Tom Greatrex: I support clause 12, but I have a couple of questions about its implications. As the Committee will be aware, this clause and attendant issues were the subject of detailed scrutiny by the Calman commission. It was corporate insolvency practitioners who pressed the case on that commission for introducing such a clause, which effectively re-reserves some aspects of corporate insolvency work.

The Scottish National party has responded with a blanket, knee-jerk reaction against the proposal, because it does not believe that powers should be re-reserved. The Labour party takes a different view. The Calman commission examined the range of powers as a whole, and determined which, in Scotland's best interests, should be devolved and which should continue to be reserved. As we all know, it concluded that there should be some changes, but not too many. We accept that recommendation, and also the comments of the LCM Committee, but the Scottish Federation of Housing Associations—from which Members will no doubt have received a briefing—has expressed concern about the implications for registered social landlords. Housing policy is, of course, devolved.

I am aware that, as no registered social landlords have been affected yet, the position is theoretical. However, on 25 February the Secretary of State told the convenor of the LCM Committee that the Government did not intend to cause any difficulty relating to housing policy, that they would consider introducing section 104 orders when that was necessary and appropriate, and that discussions were taking place between the Scotland Office and the Scottish Federation of Housing Associations. May I ask the Minister to confirm his intentions, so that we can ensure that the federation's concern is not used unduly as an excuse to oppose the clause merely because it re-reserves a power, and that it is being dealt with?

Dr Whiteford: I am glad to have an opportunity to respond to the amendment in a way that does not involve any sort of knee-jerk reaction. I intend to discuss the substance of the issue, which is the power to transfer power over all insolvency matters and all aspects of company liquidation back to the House of Commons. Currently, certain aspects are devolved.

When the Commission on Scottish Devolution examined the issue it identified some shortcomings in the existing set-up, notably a degree of overlap in responsibility between the rules relating to insolvency governed here and those governed in Holyrood, and a need for consistency across the United Kingdom. As many Members will know, the Calman commission responded to the concerns expressed by, in particular, the Institute of Chartered Accountants and the Law Society of Scotland by recommending that the United Kingdom's Insolvency Service should be responsible for the rules to be applied by insolvency practitioners on both sides of the border, with the consent of the Scottish Parliament, and that the Scottish Parliament should retain its legislative competence over corporate insolvency.

Members will note that clause 12 goes way beyond the Calman recommendation. It would transfer powers over all aspects of company liquidation to the House of Commons. I urge the Committee to think very carefully about the clause, because I believe it is a rather blunt instrument which could have a number of undesirable and unintended consequences. I suspect that there is broad agreement in the Committee that the existing legislative framework pertaining to insolvency in Scotland could be strengthened and improved, but the real question is how we should go about it. Should we, as the clause suggests, simply re-reserve powers—which might be a quick and dirty way of dealing with the matter—or is there a better way of achieving the desired outcomes of consistency and efficiency?

I fear that clause 12 will create as many problems as it solves. We should bear in mind why the powers were devolved in the first place. The purpose was largely to take account of the distinctiveness of the Scottish legal system. When Professor George Gretton, the Scottish law commissioner and expert on insolvency, gave evidence to the Calman commission, he stated emphatically:

> "Insolvency law has to fit in within the general corpus of the law, including such matters as the different court structures, the different systems of what Scots lawyers call diligence, the different systems of property law, and the law of voidable transactions."

He pointed out that the aspects of corporate insolvency law that had already been devolved by the Scotland Act were pretty much aligned with the areas that were peculiar to Scots law. The issue was thought through carefully in the first place, and I feel that we too should think carefully before unravelling the existing provisions without taking account of the wider implications.The chair of the Scottish Law Commission, Lord Drummond Young, has also expressed concern about the implications for the sensible reform of Scottish commercial law, should these powers be re-reserved.

As the hon. Member for Rutherglen and Hamilton West (Tom Greatrex) has already pointed out, some of the deepest concerns about the consequences of the clause have been expressed by the Scottish Federation of Housing Associations, which has argued against it in the strongest possible terms. Members of that association own and manage 47% of Scotland's affordable rented housing stock. They have an annual turnover of about £1 billion, and assets worth about £8 billion, so we should not take their concerns lightly. Housing is a fully devolved matter, and the Scottish Parliament has the power to legislate on all aspects of housing policy. There have been a number of changes to housing policy since the advent of devolution, as well as significant policy developments. This has been a dynamic area of activity in the life of the Scottish Parliament.

Back in 2001, in an amendment to the Scotland Act 1998, responsibility for legislation relating to the insolvency of social landlords in Scotland was devolved to the Scottish Parliament. The amendment order was agreed unanimously, with cross-party support, in the Scottish Parliament, and the provision was passed in Westminster. The amendment enabled the Housing (Scotland) Act 2001 and the Housing (Scotland) Act 2010 to address the potential insolvency of registered social landlords. The 2010 Act established the Scottish housing regulator as an independent body to safeguard tenants' interests and regulate the financial well-being and governance of registered social landlords.

Assessing the risk of insolvency among registered social landlords is an integral aspect of the existing regulatory regime. The 2010 Act also gave additional powers to the Scottish housing regulator to act quickly when a registered social landlord was facing insolvency, thereby safeguarding the interests of tenants and of the wider social landlords sector. There have been no cases of insolvency among Scottish registered social landlords in the past 40 years, but those representing the sector are not at all complacent, given the economic environment in which they are operating and the experiences that they have seen in other parts of the UK. They believe that there needs to be provision for a regulatory authority to deal with such matters in a timely and appropriate way, should cases of insolvency arise.

The regulatory framework that has been established in Scotland is designed to reduce the possibility of a social landlord becoming insolvent by preventing the situation from occurring. I am sure that Members will appreciate the importance of that, not only for tenants and social landlords but for the wider housing sector and other stakeholders. In particular, effective regulation is crucial to the ability of registered social landlords to access lending at competitive prices. The Council of Mortgage Lenders made that clear in its response to the 2007 consultation, and it is estimated that Scottish registered social landlords have saved about £70 million in the past five years by being able to access lower lending margins than are available in the commercial sector.

All this provides a practical illustration of why a strong regulatory framework is important, and why these matters were devolved in the first place. We really should not be rash enough to dismantle that framework. We must also bear in mind the fact that, if we pass clause 12, any future measures relating to the insolvency of registered social landlords would require legislation at Westminster, with all the difficulties of securing time that that involves. We need to recognise the practical benefits of devolution in this area, and not try to reinvent the wheel in our efforts to tidy up the loose ends in the wider insolvency provisions.

In housing, there is a strong case for preserving the coherence and alignment of the legislative policy making and regulatory frameworks. This would be broken if insolvency powers over registered social landlords were to be re-reserved. If the main reason for clause 12 is to tidy up insolvency provision from a UK point of view, it would be most regrettable if it were to make housing policy significantly more untidy in the process. I have a real concern that, in time, such a dislocation of policy from regulation could lead to delays, fragmentation and inappropriate decision making. It would be a retrograde step, and it would reverse recent progressive measures that have had the support of the Scottish Parliament right across the political spectrum.

I urge Members to look again at this matter. We need modernisation of the insolvency provisions; that will be very welcome. This is not the way to do it, however. There are many ways of doing it, and key to the process will be better inter-governmental working. I would also draw the House's attention to the Scottish Parliament's Scotland Bill Committee, which took these concerns seriously and recommended that legislative consent on this clause should be subject to certain provisions being drafted. We are not in a position to see those provisions today, so I would urge Members to oppose the clause in the interim, until we have a workable and effective solution before us.

8.45 pm

Michael Connarty: I am pleased to follow the hon. Member for Banff and Buchan (Dr Whiteford), who has both conflated a lot of issues that are of obvious concern to her party and not been quite open about what happened on the Scottish Parliament's Bill Committee. We have heard what seems to be a strange argument: the SNP is for devolution unless it does not win the vote, because on a devolved committee the SNP moved an amendment and lost. Then the committee concluded that it was

> "content to recommend to the Scottish Parliament that it should give its legislative consent to the provisions in the Scotland Bill relating to the re-reservation of insolvency, subject to provisions being drafted which will secure capacity for devolved legislation to affect the winding-up of Registered Social Landlords".

On the one hand the hon. Lady is conflating lots of issues of obvious concern to her party, but on the other she is denying the democratic process when it goes against her in the devolved Parliament.

The third thing that the hon. Lady has done is make a case as though that case were not recognised by everyone, on all sides, in the evidence given to this Parliament.

[Michael Connarty]

Hopefully, the Government are listening to that, and those on our Front Bench have stressed the same points. However, there is another fault that people show when trying to enthuse people—I think that the common phrase is "overegging the pudding". There has not been a bankruptcy or insolvency of a registered social landlord in Scotland in 40 years, because of the way in which their arrangements are structured. I was active in the early days of the housing association movement as a leader of a council in Scotland. Across all the parties we created a structure that mainly secures registered social landlords from the problems experienced by those landlords who are thirsting for profit and therefore taking risks by borrowing and overextending themselves. Registered social landlords are to be commended because they tend not to get themselves into such situations, which is one of the reasons we set them up as we did.

Everyone takes seriously the point made by the Scottish Federation of Housing Associations, including those on our Front Bench and, I hope, the Government. Therefore, we should have the necessary safeguards to allow the points made by the SFHA to be taken on board. The SFHA is worried about the speed of action should there ever be a problem, and hopefully the final legislation will recognise that. However, we cannot conclude from this that we should therefore go against the recommendation of the Scottish Parliament's Bill Committee and against common sense in having a system across the UK to address a problem that faces a lot of the corporate bodies and private organisations in the UK at the moment.

Dr Whiteford: This is an argument that has come directly from the Scottish Federation of Housing Associations, which is concerned about preventing such problems from occurring in the first place. It is the SFHA that is worried about the environment in which it currently operates. I know that we will shortly debate housing benefit in this House, but one of the SFHA's concerns is that changes to housing benefit could have serious repercussions for cash flow. It is concerned that the financial position is not as secure as it might have been. That is why we have to take this issue seriously. I wish that I could share the hon. Gentleman's optimism, but hoping that something might come forward is no way to go through the parliamentary process.

Michael Connarty: Allow me to recommend that optimism to the hon. Lady, who is new to the House. That optimism, which I have carried with me for 18 years, might stand her in good stead if she survives as long as I have in this place. They do say—I am quoting Gramsci, the socialist—that pessimism of the intellect should breed optimism of the will. She will certainly require that again and again if she sits on the SNP Benches in this place, I can tell her that.

I am deeply involved in fighting a case involving a bad insolvency in my constituency. In a sense, I have had to step over a line that I have drawn for myself since devolution, where I have had to say, "This is not a matter for me: I have a remit as a UK parliamentarian and my colleagues"—Members of the Scottish Parliament—"have a remit devolved to them." I try to keep the two apart quite strictly. I try to encourage devolved organisations to write not to me but to my MSP colleagues, and to engage them properly in the process. I was involved in the scrutiny of bankruptcy in Scotland legislation here in Westminster between '92 and '97, and knew quite a lot about that. I therefore find the current environment frustrating, as many companies are facing serious challenges because of economic conditions and are having to go through the insolvency process.

Although the case I took on involves what is currently a devolved matter, I knew that re-reservation was being reconsidered, so my conscience was somewhat assuaged. The reality is that the insolvency process is not very pleasant. It is never pleasant for people to be bankrupted or to have their goods and chattels sold by a bankruptcy administrator who seems to be their friend until the moment when they sign the form, and who then turns out to be their enemy. In the case I am currently involved in, there is a house for sale. The insolvency administrator has allowed it to be vandalised, so quite a lot of the financial benefit to the creditors has been lost, and seems to be ignoring any offer from anyone to buy the property.

This issue should be a responsibility across all the Chambers, and I think it makes sense for the same rules to apply in Scotland as in the rest of the UK. The Bill's provisions would bring them into line. We should all realise that it does not matter which side of the border people are living on or trading in, and that they must be dealt with properly by the insolvency laws and its practitioners. I have serious reservations about the way they are currently regulated. I look forward to this being returned to being a reserved matter so that I can fully engage in it.

David Mundell: Clause 12 implements the Calman commission recommendation that the UK Insolvency Service should be made responsible for laying down rules to be applied by insolvency practitioners on both sides of the border. The commission was persuaded by evidence from stakeholders, including the Law Society of Scotland and the Institute of Chartered Accountants of Scotland, that a consistent approach to winding up would bring significant benefits to insolvency practitioners, creditors and others dealing with insolvent companies in both England and Wales and in Scotland. Many windings up involve groups of companies that operate on both sides of the border, and it will be more efficient in terms of both time and money if the same winding-up rules are applied to each insolvent company in the group, except where Scottish common law dictates otherwise.

As a result of the proposals, the reorganisation of groups of companies will be more efficient and lead to increased returns for creditors and shareholders. Group reorganisations may involve subsidiaries being wound up, and a common approach to winding-up rules would help reduce the cost and complexity of group restructuring where constituent companies operate in both Scotland and in England and Wales. In its evidence to the Calman commission, the Institute of Chartered Accountants of Scotland, which regulates most of the insolvency operators working in Scotland, highlighted the benefit of consistent rules in promoting a more stable environment for corporate recovery and turnaround.

Angus Robertson (Moray) (SNP): I am interested in what the Minister says about having the same rules across an economic single market. By that logic, is he arguing that this should be not a UK competence, but a European competence across the single market in which we all live?

David Mundell: I understand where the hon. Gentleman is coming from, and his party's position in relation to matters European, which, as I understand it, would have Scotland as a member of the euro, which I steadfastly disagree with.

The Law Society of Scotland reported in its evidence to the commission that, because of the increased number of insolvencies of groups of companies, practitioners have for a number of years been having difficulties where parts of the group are subject to the English rules and part to the Scottish rules. The Calman commission was persuaded that a consistent approach should be taken to winding up rules, and the UK Government agree. The commission recognised that its first option for implementing its recommendation—UK legislation followed by a legislative consent motion—might not be achievable, so it suggested primary legislation amending the devolution settlement as an alternative means of securing the desired effect. The first option would not fully and effectively transfer legislative and Executive competence in this area, and that could result in continuing divergences in the rules. That would frustrate the objective expressed by the Calman commission, which is why we are adopting the second of the commission's options and re-reserving the winding up of business associations in its entirety.

Schedule 2 is introduced by clause 12. Having just one Parliament responsible for the rules relating to winding up in Scotland will aid flexibility and responsiveness, and address problems that have been reported by insolvency office holders when the law changed in one jurisdiction but not the other. In fact, we are seizing the opportunity that the Bill provides to deliver for Scotland the benefits of modernisation changes, some of which have been in place in England and Wales—and for the existing reserved insolvency procedures in Scotland—for nearly two years. These changes lift administrative burdens by allowing insolvency office holders to make full use of advances in information technology made over the past quarter of a century to communicate with creditors, thus reducing the costs—for the benefit of creditors.

The changes were made to reserved insolvency procedures in Scotland in 2009 and 2010 by a combination of legislative reform orders and subordinate legislation, but because of the division of responsibility for rules between the UK and Scottish Parliaments the changes could not at that time be extended to windings up taking place in Scotland. That is an example of some of the unnecessary and confusing divergences that have developed between the two jurisdictions about which the Calman commission expressed concern. We are taking steps to address that concern and thereby ensure that creditors of windings up taking place in Scotland are able to enjoy similar benefits to those provided for creditors of windings up in England and Wales.

I wish to deal specifically with the points raised about registered social landlords. In that context, I fully agreed with the appraisal of the hon. Member for Linlithgow and East Falkirk (Michael Connarty) of the contribution of the hon. Member for Banff and Buchan (Dr Whiteford). I accept that she has legitimate concerns, which she raised in the Scottish Affairs Committee. As part of my appearance before that Committee, I undertook to meet representatives of the Scottish Federation of Housing Associations. I am pleased to report to this Committee, as I have done to the Scottish Affairs Committee, that that meeting has taken place and we were able to have a full discussion about these concerns.

The first and most important point is that no change to the Housing (Scotland) Act 2010 will be brought about by these measures. They will not change the provisions of that Act or the regime and regulator that were put in place; they will not change the insolvency processes envisaged by that Act. Part of the concern appeared to be about what happened if the insolvency procedures put in place by that Act did not work and had to be changed, and whether this House would be as responsive in dealing with those concerns as the Scottish Parliament. I know that the hon. Lady has a fundamental view about the balance between the former and the latter. However the experience of not just this Government, but the previous one, when the hon. Member for Glasgow North (Ann McKechin) was in the Scotland Office and the hon. Member for Rutherglen and Hamilton West (Tom Greatrex) was aiding her, suggests that the UK Government have demonstrated a willingness to support the legislative intentions of the Scottish Parliament. The Insolvency Service is held in particular regard for the measures it has brought forward to modernise insolvency practice in areas for which it has responsibility in Scotland and, indeed, in England and Wales. I am pleased to report that the Insolvency Service will meet the Scottish Federation of Housing Associations at the beginning of April to discuss any specific ongoing concerns that might still exist.

9 pm

Dr Whiteford: Will the Minister clarify exactly which issues remain outstanding with the Scottish Federation of Housing Associations that necessitate a further meeting?

David Mundell: Following our meeting with the federation, I wrote extensively on the specific points that I had raised. My interpretation concerned whether Westminster would be as responsive as the Scottish Parliament if new issues arose. It is extremely important to take on board that this is about new issues and not about the adequacy of the Housing (Scotland) Act 2010. That Act is in place, as are the arrangements for insolvency. The issue is whether, if the arrangements that have been put in place did not work and other arrangements had to be brought in, that could be done expeditiously in the House of Commons, and I believe it could. Indeed, one Opposition Member is the former distinguished Communities Minister of the Scottish Parliament and I cannot imagine that she would allow the Government to sit idly by while there were requests for changes to insolvency procedures in respect of registered social landlords in Scotland. That issue is not a basis for continuing concern, but we are committed to the dialogue involving the Insolvency Service and the federation.

It is important to re-emphasise the point that the hon. Member for Linlithgow and East Falkirk confirmed—that the Scottish Parliament's current powers

[David Mundell]

in relation to RSLs are not whole powers regarding RSL insolvency. They relate only to the winding up and only where it concerns a moratorium on the disposal and management of property held by an RSL, so the Scottish Parliament is not currently able to make provision for all aspects of the law on RSLs. The view of the Calman commission was that the ability to make provision in this area was fragmented and should be returned to Westminster to deal with that fragmentation. Clearly, there are Members who could never agree with the return of powers to Westminster, however sensible that might be, but I hope that on this occasion they will accept that the measure will benefit Scottish business and will not be detrimental to the RSL sector. On that basis, I hope that the Committee will not divide on clause 12.

Question put, That the clause stand part of the Bill.

The Committee divided: Ayes 357, Noes 8.

Division No. 217] **[9.4 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Alexander, rh Mr Douglas
Amess, Mr David
Anderson, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Bailey, Mr Adrian
Bain, Mr William
Baker, Norman
Baker, Steve
Baldry, Tony
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bayley, Hugh
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benn, rh Hilary
Benyon, Richard
Beresford, Sir Paul
Berger, Luciana
Berry, Jake
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blenkinsop, Tom
Blomfield, Paul
Blunt, Mr Crispin
Bone, Mr Peter
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Bryant, Chris
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Byrne, rh Mr Liam
Cable, rh Vince
Campbell, Mr Alan
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Connarty, Michael
Cooper, Rosie
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Cryer, John
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Davey, Mr Edward
David, Mr Wayne
Davidson, Mr Ian
Davies, Glyn
Davies, Philip
de Bois, Nick
De Piero, Gloria
Dinenage, Caroline
Djanogly, Mr Jonathan
Docherty, Thomas
Dorries, Nadine
Doyle, Gemma
Doyle-Price, Jackie
Drax, Richard
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Engel, Natascha
Esterson, Bill
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Fitzpatrick, Jim
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Fullbrook, Lorraine
Gale, Mr Roger
Gardiner, Barry
Garnier, Mr Edward
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gilmore, Sheila
Glen, John
Glindon, Mrs Mary
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Greatrex, Tom
Green, Damian
Greenwood, Lilian
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Halfon, Robert
Hames, Duncan
Hamilton, Mr David
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Harris, Mr Tom
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendrick, Mark
Hendry, Charles
Herbert, rh Nick
Hilling, Julie
Hinds, Damian
Hollingbery, George
Hollobone, Mr Philip
Hood, Mr Jim
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Jamieson, Cathy
Javid, Sajid
Johnson, Gareth
Jones, Andrew
Jones, Mr David
Jones, Graham
Jones, Mr Marcus
Joyce, Eric
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Latham, Pauline
Lavery, Ian
Leadsom, Andrea
Lee, Jessica
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Leslie, Chris
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Long, Naomi
Lopresti, Jack
Loughton, Tim
Lucas, Ian
Luff, Peter
Lumley, Karen
Main, Mrs Anne
Mann, John
May, rh Mrs Theresa
Maynard, Paul
McCann, Mr Michael
McCartney, Jason
McCartney, Karl
McClymont, Gregg
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McIntosh, Miss Anne
McKechin, Ann
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munn, Meg

Munt, Tessa
Murray, Ian
Murray, Sheryll
Murrison, Dr Andrew
Nash, Pamela
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
O'Brien, Mr Stephen
O'Donnell, Fiona
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reeves, Rachel
Reid, Mr Alan
Reynolds, Jonathan
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Rudd, Amber
Russell, Bob
Rutley, David
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Sheridan, Jim
Simmonds, Mark
Skidmore, Chris
Skinner, Mr Dennis
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soubry, Anna
Spellar, rh Mr John
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Ms Gisela
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Teather, Sarah
Timms, rh Stephen
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Twigg, Derek
Tyrie, Mr Andrew
Umunna, Mr Chuka
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Willott, Jenny
Wilson, Phil
Wilson, Mr Rob
Wollaston, Dr Sarah
Woodcock, John
Wright, David
Wright, Mr Iain
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Bill Wiggin and
Mr Philip Dunne

NOES

Hosie, Stewart
Llwyd, rh Mr Elfyn
Lucas, Caroline
MacNeil, Mr Angus Brendan
Robertson, Angus
Weir, Mr Mike
Whiteford, Dr Eilidh
Wishart, Pete

Tellers for the Noes:
Jonathan Edwards and
Hywel Williams

Question accordingly agreed to.

Clause 12 ordered to stand part of the Bill.

Thomas Docherty: On a point of order, Mr Benton. You might not be aware, having been in the Chair, but apparently the Scottish nationalists have been tweeting tonight that Labour MPs voted not to devolve Government responsibility to the Scottish Parliament. I would be very grateful if you advised me what we as MPs can do to ensure that all SNP Members are aware of the actual facts, rather than just twittering.

The Temporary Chair (Mr Joe Benton: I have heard the point of order, but as it is not a procedural point I cannot rule on it. I am very sorry.

Schedule 2 agreed to.

Clause 13

REGULATION OF THE HEALTH PROFESSIONS

Question proposed, That the clause stand part of the Bill.

Tom Greatrex: I rise to support clause 13 on the regulation of health care professionals. In some ways, it falls into the same category as the one we described in relation to clause 12. The Calman commission looked at an issue, and in this instance it decided that the best interests of Scotland would be for the issue to be dealt with on a UK-wide basis. The hon. Member for Banff and Buchan (Dr Whiteford) said that her response to the previous issue was not a knee-jerk one; I assume that she or one of her colleagues will now rise to explain that there will not be a knee-jerk response to this issue. There seems to be a pattern emerging: when the Calman commission recommends that things be done at a UK level, it must be wrong, and when it recommends that they be done at a devolved level, it must be right. I am afraid that that does not strike me as consistent with serious consideration of these issues.

Since the passage of the Scotland Act 1998, several new categories of health care professionals have come into existence. In some instances, their regulation has been less than complete, and when they require regulation, it is appropriate that it is done in the same place. That proposal has been supported by the Calman commission and by the Scotland Bill Committee, and it was reflected in the White Paper and in the draft Bill. The Health Professions Council, NHS Lothian and others have supported this as a sensible approach. In evidence to the Holyrood Bill Committee, the Health Professions Council observed that

> "there is widespread consensus that a consistent UK-wide approach to the regulation of health professions is both appropriate and beneficial to professionals and the public."

This is beneficial to the public and consistent for the professionals.

We support the clause instead of trying to find a reason to object to it simply because it reserves a power. That does not strike me as a sensible way of dealing with the issue. However, no doubt the hon. Member for Perth and North Perthshire (Pete Wishart) will now try to enlighten me.

Pete Wishart: I rise to oppose the clause. This is part 2 of the great Calman clawback. Presumably we are going to see an attempt by the Tory-led Government to take powers away from the Scottish Parliament, once again with Labour complicity and support.

[Pete Wishart]

The Bill is characterised as one that gives powers away to the Scottish Parliament, but the previous clause and this clause demonstrate that one hand most definitely giveth, but the other most definitely taketh away. We oppose the clause, first, because it is anti-devolutionary, and secondly, and most importantly, because it is not necessary. The Scottish Parliament is totally in control of Scotland's health services. Scottish Ministers are responsible to the Scottish Parliament and, in turn, to the Scottish people for the structure and delivery of health services. We have our own national health service in Scotland.

The Scottish Parliament has a direct interest in ensuring that Scotland's particular needs and circumstances are taken into account in decisions made about the health service in Scotland, including the regulation of its work forces. Since 1999, we have developed a different NHS in Scotland—one based on the needs of the Scottish people.

Thomas Docherty: The hon. Gentleman talks about the regulation of work forces. Does he therefore believe that we should have a separate Health and Safety Executive for Scotland?

Pete Wishart: There would probably be a strong case for that. The hon. Gentleman is entirely right. In Scotland, all the regulations for the regulation of health professionals that existed before the 1998 Act came into force are continuing to be regulated at a UK level from the Department of Health. That includes nearly all doctors, nurses and dentists. The Scottish Government have a little toehold into regulation as regards important new professions that have been designed since the 1998 Act came into force—for example, operating department practitioners, dental nurses, dental technicians, orthodontic therapists, pharmacy technicians and practitioner psychologists. It is incredibly important that we do not lose that toehold.

Mr Alan Reid (Argyll and Bute) (LD): If the hon. Gentleman were consistent, he would be arguing that all the health professions should be regulated in Scotland. Surely it does not make sense for dentists to be regulated UK-wide and dental technicians to be regulated in Scotland, but for them all to be regulated in one place.

Pete Wishart: There is eminent logic in what the hon. Gentleman says, and there is very little of it that I could not support. Of course all these important health professionals should be regulated in the Scottish Parliament.

Mr Reid *rose—*

Pete Wishart: I will give the hon. Gentleman another shot.

Mr Reid: I said that the professions should all be regulated in one place. It is the hon. Gentleman who is saying that they should be regulated in different places.

Pete Wishart: The hon. Gentleman confirms what I was saying. Of course they should all be regulated in one place, and that should be the Scottish Parliament. They should be under the direct control of Scottish Ministers, because we have a Scottish national health service—perhaps the hon. Gentleman is not aware of this—that has been designed and structured by Scottish Ministers who are accountable to the Scottish people.

Tom Greatrex: I do not wish to involve myself in the spat that has been entertaining us, but given that the hon. Gentleman seems to be saying that there is a different health service in Scotland that has different professions, will he explain which medical professions exist in Scotland that do not exist in England?

Pete Wishart: I am really pleased that the hon. Gentleman has asked that, because that is one of the things that I am most keen to come on to. If he is not satisfied by what I say, I ask him to come back on me, because I will list some very important professions that receive regulation from Scottish Ministers.

The most important point is that we have the toehold that I have described. All the UK devolved Administrations work together on these important issues to find innovative practices and new ways of doing things. That is important work. The current arrangements support and create dialogue and the sharing of ideas in reserved and devolved areas.

I come to the examples that the hon. Gentleman is so keen to hear about. The first is practitioner psychologists. The Department of Health originally wanted all such professionals to be educated to doctorate level. That would have posed major problems for the NHS in Scotland, where the majority of them are trained to masters level. That is why we need separate regulation. NHS Scotland has also piloted the position of physician assistant, which is an assistant to medical practitioners. Unlike their equivalents in England, such people can prescribe and work across a variety of roles in the Scottish NHS. Those are not the only two examples. Health care scientists were identified as a priority for regulation in the 2007 White Paper, in which the Department of Health proposed that the new education and training arrangements envisaged for England should also apply in Scotland, where there are different needs and a different educational system. Perhaps it has escaped the hon. Gentleman that as well as having an NHS in Scotland, we also have our own devolved education service. The training of many such professionals requires different regulation and different standards.

Mrs McGuire: I do not think that the hon. Gentleman has explained exactly why Scotland needs different regulation from the rest of the United Kingdom. Will he tell the Committee how many health care scientists are practising in Scotland and who currently regulates them?

Pete Wishart: I am disappointed in the right hon. Lady, because she usually does better than that. She has clearly not been listening to what I have said. I have given three examples of new professions that have emerged since 1999 and that have benefited from separate regulation in Scotland, but there are more. Why would anyone want to re-regulate those professions, which have given such key benefits to the NHS in Scotland?

David Mowat (Warrington South) (Con): For the avoidance of doubt, will the hon. Gentleman clarify that it is his view that there are no health care scientists in England?

Pete Wishart: Of course there are health care scientists in England, but they are trained differently. Scotland has different educational institutions that require different regulation from those in England. That is why we are saying that it is important that these responsibilities rest with Scottish Ministers and the Scottish Parliament.

Mrs McGuire *rose—*

Pete Wishart: I have given way once to the right hon. Lady. I hope that she wants to make a new point.

Mrs McGuire: The hon. Gentleman has not answered my first intervention yet. *[Interruption.]* If the hon. Member for Na h-Eileanan an Iar (Mr MacNeil) would just face the front and fold his arms, the world would be a better place. The hon. Member for Perth and North Perthshire (Pete Wishart) argued that people are trained differently in Scotland and should therefore be regulated separately. Health care professionals such as doctors and nurses come from other countries where they have been trained differently, but we still regulate them in the same way when they practise in this country. His argument is therefore specious.

Pete Wishart: Doctors who come to the NHS in the rest of the UK are subject to UK regulation. The NHS in Scotland is a different beast from that in the rest of the UK. That is the point. The NHS has been developing for the past 10 years and we have to recognise that.

Ann McKechin *rose—*

David Mowat *rose—*

Fiona O'Donnell *rose—*

Pete Wishart: I have a real choice here. I will give way to the shadow Minister.

Ann McKechin: Will the hon. Gentleman clarify whether he is proposing a separate Scottish college of nursing, bearing in mind that the Royal College of Nursing certifies not only all nurses in the United Kingdom, but courses across the Commonwealth? Is he suggesting that Scottish nurses would not benefit from that level of certification?

9.30 pm

Pete Wishart: Perhaps I will stick to the amendment and put the case for continuing to leave the matter in the hands of the Scottish Parliament.

Fiona O'Donnell: I cannot believe that the hon. Gentleman has got me animated about the issue because it seems so clear-cut. What would the position be for someone who trains as a health scientist in Scotland? Could they work in England or would they be regulated to work only in Scotland?

Pete Wishart: Reciprocal arrangements work across a variety of jurisdictions. Of course a health scientist trained in Scotland could work in England. We have a separate NHS, which has developed differently from the NHS in the rest of the UK in the past 10 years—that seems to have escaped hon. Members in the debate. It has new professions that require different regulation.

Ian Murray (Edinburgh South) (Lab): Will the hon. Gentleman give way?

Pete Wishart: I have given way enough—I did not want to spend so much time on this, but I have been generous in giving way to several Labour Members. [HON. MEMBERS: "Give way!"] Go on, then.

Ian Murray: I am very grateful to the hon. Gentleman for giving way, even at the second attempt. Does he agree with the NHS in Lothian, which covers my constituency, and the Health Professions Council, which gave written evidence to Holyrood when the Scotland Bill Committee sat? It stated:

> "We observe that there is a widespread consensus that a consistent UK-wide approach to the regulation of health professions is both appropriate and beneficial to professionals and the public."

Why does the SNP differ from that approach?

Pete Wishart: I have no doubt that that is exactly what was said, but the only evidence taken by the Calman commission was from two royal colleges, which talked only about doctors.

Fiona O'Donnell *rose—*

Pete Wishart: I have already given way to the hon. Lady. The UK Department of Health evidence to the commission concluded:

> "The Department of Health is not seeking any change to the reservation of the health professions in the Scotland Act 1998. In practice, both the Government and the devolved administration have always sought to apply a UK-wide framework to the regulation of health".

It is not interested in re-reserving the issue, and I do not know why we are.

We have a different NHS in Scotland, and it is recognised that the implementation of some policies would have to be different in Scotland. Given that the provision is clearly anti-devolutionary and not in the interests of the NHS in Scotland, we will not support it, not because of any knee-jerk response but because of the examples that I have mentioned and that I hope have been accepted by the Committee. We have a toehold in regulation across the UK, we will not give it up lightly and we will oppose the clause.

Mr Reid: I am fully behind the Government on the clause. If we listened to the advice of the hon. Member for Perth and North Perthshire (Pete Wishart), we would end up in a confused position. If we joined him in the Lobby tonight, some health professions would be regulated UK-wide and others would be regulated in Scotland. The hon. Gentleman referred to some dental professions that would be regulated in Scotland while dentists would be regulated UK-wide. That is clearly an anomalous situation.

Mr MacNeil: Does the hon. Gentleman believe that the sky would fall in if we had an anomalous situation?

Mr Reid: We would end up with a much worse situation than the position whereby all professions were regulated UK-wide. The latter makes much more sense. I understood from the answers that the hon. Member for Perth and North Perthshire gave to interventions that he wants all health care professions to be regulated separately in Scotland from the rest of the UK, although

[Mr Reid]

I note that the SNP has not tabled an amendment to that effect. It would lead to a strange situation, which would not benefit patients.

Mr Davidson: Surely the hon. Gentleman is in error to suggest that SNP Members did not articulate the fact that they want all the professions to be separately registered in Scotland. The spokesman said that he wanted doctors and dentists to be regulated separately in Scotland—even more evidence that he is a bad man.

Mr Reid: The hon. Gentleman is perfectly correct—[HON. MEMBERS: "Oh!"] I did not say in what he was correct. He was correct when he said that the hon. Member for Perth and North Perthshire stated that he wanted all professions regulated separately in Scotland. However, my point was that SNP Members have not tabled an amendment to that effect, which I suspect indicates that even they lack confidence in their case.

Fiona O'Donnell: Perhaps I could assist the hon. Gentleman in correcting my hon. Friend the Member for Glasgow South West (Mr Davidson). He was wrong in omitting to point out that not only did the Lib Dems come sixth in Barnsley, they lost their deposit.

Mr Reid: I suspect that if I respond to that intervention, Mr Hoyle, you will rule me out of order.

To go back in order, if as the SNP suggests all health care professions—doctors, dentists and so on—are regulated separately in Scotland, it would add more cost and bureaucracy. It would also mean that a doctor who is qualified in Scotland and who wants to move to England would have to get separate qualifications, and vice versa. That would not benefit patients, and nor would it assist professional development.

Mr MacNeil *rose—*

Mr Mike Weir (Angus) (SNP) *rose—*

Thomas Docherty *rose—*

Mr Reid: The hon. Member for Na h-Eileanan an Iar (Mr MacNeil) was first.

Mr MacNeil: Does the hon. Gentleman find it strange that a nation would want to regulate its own health professionals?

Mr Reid: The cures for diseases are the same throughout the world. The cure for measles in Scotland is not different from the cure in England.

Several hon. Members *rose—*

Mr MacNeil: Is the hon. Gentleman making the case for worldwide regulation?

Mr Reid: I was giving way to the hon. Member for Angus (Mr Weir).

Mr Weir: I am listening closely to the hon. Gentleman. Do we not already reciprocally recognise qualifications within the EU, and is it not the case that doctors can come from other parts of the EU to practise in the UK? Therefore, what is the problem with the recognition of Scottish qualifications and Scottish regulation?

Mr Reid: Simply put, those arrangements would add a new layer of bureaucracy and waste time. Currently, a doctor can move from Scotland to England or vice versa with no problem whatever. The hon. Gentleman simply wants to put bureaucracy in the way.

Thomas Docherty: The hon. Member for Carlisle (John Stevenson) and the Minister, who represent the north-west of England and the south-west of Scotland respectively, are both in the Chamber. The hon. Member for Argyll and Bute (Mr Reid) will probably be aware that many of their constituents, and the constituents of Members on both sides of the House, will travel to use services on both sides of the border. Does he not agree that this debate is another example of the tabling of Mickey Mouse amendments to slow down the process by a party that will come worse than sixth in the forthcoming elections?

Mr Reid: I agree with the hon. Gentleman on cross-border traffic, which is important, but he gives SNP Members more credence than they deserve. They did not actually table an amendment—they did not put that amount of work in—and are simply opposing the Government. If the hon. Member for Perth and North Perthshire had been consistent, he would have tabled a new clause to the effect that all health professions would be regulated separately in Scotland, but he did not bother to do so. He is simply opposing a sensible Government measure.

I meant to speak for only a minute or two, but all those interventions took up quite a lot of time. I conclude by reminding the hon. Member for Glasgow South West (Mr Davidson) that in the Henley by-election, the Labour party were fifth with a lower share of the vote than the Liberal Democrats got last week.

Mr Davidson: Is it appropriate at this point to mention that fifth is actually higher than sixth? I have been approached by a number of Members in the Lobby who have told me that the Liberal Democrats came sixth only because the SNP did not stand—

The Chairman of Ways and Means (Mr Lindsay Hoyle): Order. I think we both know that this is not quite a part of the clause 13 stand part debate. If what the hon. Gentleman is saying is not part of that, I call the Minister.

David Mundell: Thank you, Mr Hoyle, and welcome to this debate, which I can see you are already enjoying.

I did not intend to speak for long. I was looking forward to the erudite contribution of the hon. Member for Perth and North Perthshire (Pete Wishart) on why Antarctica should be the responsibility of the Scottish Parliament, and how after 12 years of devolution, Antarctica has been discovered to be an important matter for which the Scottish Parliament must have responsibility.

Pete Wishart: I am also disappointed about Antarctica. However, is the Minister pleased that Antarctica will now join time and outer space in schedule 5 of the Scotland Act?

David Mundell: I think that schedule 5 of the Scotland Act is the appropriate place for Antarctica.

Thomas Docherty: I would speculate that the reason the Scottish Parliament should have responsibility for Antarctica is that there are probably just as many Liberal Democrats in Antarctica as there are now in Scotland.

The Chairman: Order. We are dealing with health professions. We have not quite got to Antarctica yet, so I think we will ignore that part.

David Mundell: I accept your ruling, Mr Hoyle, although it is sometimes important to point out to Opposition members that for the first eight years of the Scottish Parliament there was a Liberal-Democrat-Labour coalition.

Mr MacNeil: I would love to know why the Minister thinks that London rather than Edinburgh should have responsibility for whatever portion of Antarctica we are talking about. Is he ashamed of Scotland? Why should it be London? Why should Scotland not have that power? What is he ashamed of?

The Chairman: Order. We are discussing health. We are not discussing Antarctica.

David Mundell: We have learned tonight that London SNP has control over Edinburgh SNP, because it is the Westminster SNP Members who determine the response to the Scotland Bill, and not their colleagues in the Scottish Parliament, who have a completely different point of view on a number of these measures.

The Scotland Act 1998 provides that the regulation of certain health professions is a subject matter reserved to the Westminster Parliament. Clause 13 implements the Calman recommendation to reserve the regulation of all health professions, not just those specified in the Scotland Act. The clause re-reserves the regulation of health professions, and I can confirm that the Scottish Parliament's Scotland Bill Committee has stated that it is not opposed to the re-reservation of powers to the UK Parliament. The Scottish Parliament will vote on the Scotland Bill on Thursday, and we await the outcome of that vote, as I have said previously. Further, devolution is not a one-way street, and the Scotland Bill, like Calman, is about delivering a balanced package that works for the people of Scotland, as the hon. Member for Rutherglen and Hamilton West (Tom Greatrex) said. The Scotland Bill does just that: it updates the Scotland Act with a two-way transfer of powers.

Since Royal Assent of the Scotland Act, the regulation of any health professions not regulated by the legislation listed in section G2 of schedule 5 has been a matter that falls within the legislative competence of the Scottish Parliament. The Westminster Parliament was, therefore, unable to introduce legislation to regulate such professions without such legislation also being approved by resolution of the Scottish Parliament. Although the Scottish Parliament has had the power to introduce for Scotland separate legislation in respect of the regulation of these health professions and any other health professions not included within section G2, it has chosen not to do so and instead has approved the use of the existing, reserved machinery orders made under section 60 of the Health Act 1999 to regulate new groups of health care professionals.

The Calman commission criticised this mixed economy and considered that the current situation was unnecessarily time-consuming and cumbersome owing to the need to obtain agreement from the Scottish Parliament. The commission also pointed out that the current mixed economy presented risks in terms of consistency that could lead to the fragmentation of standards across the UK and threaten the mobility of practitioners across all four countries, which is a point that Members have raised. The Government agree that there are risks with the current situation. The Calman commission also noted that the current processes gave the Scottish Parliament some influence over the regulation of reserved professions—for instance, where there are orders and regulations relating to the regulation of professions that cover both devolved and reserved matters. The commission also took the view that there should be a common approach to the regulation of the health professions.

The Government have accepted the arguments made by the Calman commission, so the clause re-reserves the regulation of all health care professions currently regulated by legislation. It also has the practical effect of reserving to the Westminster Parliament the subject matter of the regulation of any new health professions in the future.

Notwithstanding the reservation that the clause will deliver, the UK Government will continue to agree policy in relation to the regulation of the health professions with the Scottish Government. The UK Government, through the Department of Health in England, will continue to engage closely with officials in the Scottish Government—and, for that matter, with the Administrations in Northern Ireland and Wales—to develop future policy proposals concerning the regulation of health care professionals. This will ensure that the views of the Scottish people will be taken into consideration as we go forwards, but in a manner that will deliver a consistent approach to regulation that works for the whole of the UK.

Mr MacNeil: If in future a certain type of health profession develops that exists only in Scotland, is the Minister saying that regulation of it should be done in London?

David Mundell: The hon. Member for Perth and North Perthshire (Pete Wishart) was challenged to identify health professions that could exist only in Scotland—and failed to do so. The regulation will be dealt with in accordance with schedule 5. When we have had some identification of a health profession that could exist only in Scotland, we will be able to look at what the hon. Gentleman and his colleagues have to say about it.

Mr MacNeil: It would be good practice in shaping and making law to prepare for any eventuality. I put a particular type of eventuality to the Minister, but he has not provided an answer. If there is a certain type of medical profession that exists only in Scotland, what will happen?

David Mundell: I am afraid that that represents the level of debate on re-reservation that we have witnessed tonight. The SNP's opposition to re-reservation is based entirely on dogma and political viewpoints rather than on the interests of the people of Scotland. The Calman commission looked very closely at these issues and considered that the balance lay with re-reserving the powers. The Government support that re-reservation and nothing we have heard in this debate or the previous one—or, I suspect, that we would have heard if we had

[David Mundell]

had a debate on Antarctica—would convince any Member who looked at these matters either objectively or with the interests of the people of Scotland at heart to support the SNP position. I hope that SNP Members will withdraw their frivolous opposition so that the Committee will not have to divide on the issue.

Question put, That the clause stand part of the Bill.

The Committee divided: Ayes 340, Noes 8.

Division No. 218] **[9.47 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Ali, Rushanara
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Bain, Mr William
Baker, Norman
Baker, Steve
Baldry, Tony
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bayley, Hugh
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benn, rh Hilary
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blomfield, Paul
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bryant, Chris
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, rh Mr Simon
Burrowes, Mr David
Burstow, Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Byrne, rh Mr Liam
Cable, rh Vince
Campbell, Mr Alan
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Clappison, Mr James
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Connarty, Michael
Cooper, Rosie
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Cryer, John
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Davey, Mr Edward
Davidson, Mr Ian
Davies, Glyn
Davies, Philip
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Docherty, Thomas
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle, Gemma
Doyle-Price, Jackie
Drax, Richard
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Esterson, Bill
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Featherstone, Lynne
Fitzpatrick, Jim
Foster, rh Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gilmore, Sheila
Glen, John
Glindon, Mrs Mary
Goodman, Helen
Goodwill, Mr Robert
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Greatrex, Tom
Green, Damian
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Halfon, Robert
Hames, Duncan
Hamilton, Mr David
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendrick, Mark
Hendry, Charles
Herbert, rh Nick
Hilling, Julie
Hinds, Damian
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Jamieson, Cathy
Javid, Sajid
Johnson, Gareth
Jones, Andrew
Jones, Mr David
Jones, Graham
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, rh Mr David
Lilley, rh Mr Peter
Long, Naomi
Lopresti, Jack
Loughton, Tim
Luff, Peter
Lumley, Karen
Main, Mrs Anne
Mann, John
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McClymont, Gregg
McGovern, Jim
McGuire, rh Mrs Anne
McIntosh, Miss Anne
McKechin, Ann
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Michael, rh Alun
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Ian
Murray, Sheryll
Murrison, Dr Andrew
Nash, Pamela
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
O'Brien, Mr Stephen
O'Donnell, Fiona
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, rh Mr James
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Perkins, Toby
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan

Reynolds, Jonathan
Robathan, rh Mr Andrew
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Roy, Mr Frank
Roy, Lindsay
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Sheridan, Jim
Simmonds, Mark
Skidmore, Chris
Skinner, Mr Dennis
Smith, Angela
Smith, Miss Chloe
Smith, Henry
S[illegible]h, Julian
Soubry, Anna
Spellar, rh Mr John
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Ms Gisela
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Twigg, Derek
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Willott, Jenny
Wilson, Phil
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, David
Wright, Mr Iain
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Bill Wiggin and
Mark Hunter

NOES

Hosie, Stewart
Llwyd, rh Mr Elfyn
Lucas, Caroline
MacNeil, Mr Angus Brendan
Robertson, Angus
Weir, Mr Mike
Whiteford, Dr Eilidh
Wishart, Pete

Tellers for the Noes:
Hywel Williams and
Jonathan Edwards

Question accordingly agreed to.

Clause 13 ordered to stand part of the Bill.

10.2 pm

Proceedings interrupted (Programme Order, 27 January.)

The Chair put forthwith the Questions necessary for the disposal of the business to be concluded at that time (Standing Order No. 83D).

Clauses 14 to 20 ordered to stand part of the Bill.

Clause 21

SPEED LIMITS

Amendment made: 30, page 13, line 26, at end insert—

"(3ZD) Regulations made by the Scottish Ministers under subsection (2) are subject to the negative procedure."

( ) In subsection (3A)—

(a) the words from "the National Park Authority" to the end become paragraph (a), and

(b) after that paragraph insert ", and

(b) such representative organisations as they think fit."".—*(David Mundell.)*

Clause 21, as amended, ordered to stand part of the Bill.

Clauses 22 and 23 ordered to stand part of the Bill.

The occupant of the Chair left the Chair (Programme Order, 27 January).

The Deputy Speaker resumed the Chair.

Progress reported; Committee to sit again tomorrow.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

HOUSING

That the draft Housing and Regeneration Act 2008 (Consequential Amendments to the Mobile Homes Act 1983) Order 2011, which was laid before this House on 31 January, be approved.—*(Jeremy Wright.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

MOBILE HOMES

That the draft Mobile Homes Act 1983 (Amendment of Schedule 1 and Consequential Amendments) (England) Order 2011, which was laid before this House on 31 January, be approved.—*(Jeremy Wright.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)).

That the draft Mobile Homes Act 1983 (Jurisdiction of Residential Property Tribunals) (England) Order 2011, which was laid before this House on 31 January, be approved.—*(Jeremy Wright.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

CAPITAL GAINS TAX

That the draft Penalties, Offshore Income etc. (Designation of Territories) Order 2011, which was laid before this House on 31 January, be approved.—*(Jeremy Wright.)*

Question agreed to.

Pfizer (Sandwich)

Motion made, and Question proposed, That this House do now adjourn.—*(Jeremy Wright.)*

10.4 pm

Laura Sandys (South Thanet) (Con): I thank the Minister for taking the time to be present this evening, as I know he has been all around the country promoting science and our technology base. I also recognise that he and the Government are taking the announcement of the closure of the Pfizer plant in Sandwich exceptionally seriously.

I watched what happened previously when large numbers of redundancies were announced at the site, and it is clear that this Government have distinguished themselves as a Government of action and commitment. The last Government did not seem too worried about the closure of the Pfizer manufacturing plant at Sandwich, with hundreds of jobs lost. I did not hear the then Prime Minister commit to addressing the loss of UK-based skills, nor did I see a taskforce established within days to work with the company and keep as many jobs on site as possible. This Government have not stood by. They have not watched from the sidelines; instead they have galvanised all their resources to try to mitigate the impact this closure will have both locally and nationally.

A fellow Member of this House—an Opposition Member—said to me, "Well Laura, at least it's happened in the south-east. There are lots of jobs and opportunities for people there, unlike in the north." May I therefore explain that although Thanet and Dover are located in the south-east, they do not look like the south-east? I represent the 64th most deprived district in the country, next door in terms of deprivation to Wigan and Wakefield. We calculate that the withdrawal of high-paid jobs at Pfizer, which is one of the very few high-paying employers, will bring the average wage in our area down to £17,700. We will therefore be fighting things out in the conference league, with wages that are the 15th lowest in the country.

Let us add up the total of the potential job losses in an area where skills are low and job mobility even lower, and which is still recovering from coal pit closures and the demise of the British seaside holiday. Some 2,400 Pfizer jobs are at risk, and they are the highest paid jobs in the local economy. There are 1,700 contactors on the site, including technicians, scentists and support staff. It is also expected that we will lose thousands of public sector jobs. Experian calculates that the knock-on impact of these redundancies could mean that an additional 5,000 jobs are at risk.

The Pfizer closure will also have a significant impact on the voluntary sector. Pfizer has been very generous in the past. At the last count, an annual sum of £250,000 was donated by Pfizer to voluntary groups locally; £460,000 was given by Pfizer staff to charities; and 200 local schools were supported to promote science. Every staff member was given five days of paid leave to help with local charity groups. This totals in one year much more than the $1 million given as a community legacy when Pfizer shut its operation in Michigan. It is a body blow to the community, which is so dependent on the voluntary sector.

We cannot stop Pfizer leaving the site; that is its decision and responsibility. However, I ask the Minister to help us with our discussions with Pfizer. Pfizer has been in Sandwich for 60 years, but has given its staff and the community just 90 days to readjust. We know that significant numbers of staff will be made redundant soon, with little time for support to be put in place to help them to set up businesses, or to identify investors who might want to buy some of the assets and keep those important jobs on the Sandwich site. I pay tribute to the local Pfizer management at Sandwich who are trying to put in place new opportunities. They, too, have little time to ensure that jobs stay in Sandwich before redundancies are issued. This is a great disappointment, as there are some very exciting opportunities. The site and the staff have real potential.

As the Minister knows, following the meeting he called with venture capitalists, there are some potential opportunities, such as large management buy-outs. In addition, the staff are considering setting up businesses, but will they have enough time to secure the finance and put the packages in place before there is a dispersal of the talented staff?

I am not asking Pfizer to change its exit date—2012 will be when it closes its activities in Sandwich—but that does not mean that it has to rush to redundancies now when so much is being put in place to mitigate the company's decision. I am not sure that 90 days' notice after 60 years is fair or reasonable. We need more time, the staff and contractors need more time, and our east Kent economy needs more time.

The Government also have a strong role to play, and with Ministers' support much has already been achieved. With the Minister's leadership and the support of the Prime Minister, the Government moved into action immediately. The taskforce, under the effective chairmanship of Paul Carter, has already put in place a range of new opportunities for the site. We are only 30 days into this process and this will be an endeavour for those with stamina. We are in this for the long haul, so we need the Government's help to realise an exciting future for Sandwich. We need them to back the establishment of a life science centre on the current site at Sandwich, as a national resource, rather than just for our local economy. We seek economic incentives to support this centre in its early years, and we seek special tax credits for research and development that reach beyond the current criteria. This life science centre could be at the heart of a wider research and technology zone covering the whole site and going along the A256 corridor. We would also like the Government to look on this area as one of the flagship enterprise zones that the Chancellor advanced in such a welcome fashion in Cardiff this weekend.

The east Kent economy has been crying out for years for better transport links: the area is 70 miles from London, but can take two hours to reach by train. The Minister experienced a very lengthy train journey of two and a half hours because of both a slow train and works on the line, so he knows that, per mile, Sandwich to London is one of the slowest rail routes in the country. I therefore ask for the Government's support for our bid to get the rail line from London to Thanet upgraded so that we can get to Thanet within the hour. That would revolutionise our local economy.

In conclusion, we need more time from Pfizer and we need the Government's commitment for the long term. With that, we have a once-in-a-lifetime opportunity to turn our local economy around so that in years to come my east Kent colleagues and I can proudly state, "Yes, our area is part of the south-east economy. It does look like the rest of the south-east and our economy can eventually function like the rest of south-east."

10.13 pm

Charlie Elphicke (Dover) (Con): I congratulate my hon. Friend the Member for South Thanet (Laura Sandys) on her heroic efforts to corral and bring together the east Kent MPs, Kent county council, Dover district council and Thanet district council within 24 hours to make sure that there was a clear plan for a changeover from the large "big pharma" site to the new model of universities and smaller businesses collaborating and developing things in the future. I simply wish to support her point about the disgraceful transport links that we have to put up with. We need to get the fast line put in from Sandwich and Deal through to London, and we need Manston and the A256 corridor to be developed. That would enable us to have more jobs and more money, and would provide more effective business options for the people of Dover, Deal, south and north Thanet, and east Kent as a whole.

10.14 pm

The Minister for Universities and Science (Mr David Willetts): I congratulate my hon. Friend the Member for South Thanet (Laura Sandys) on securing the debate. The presence of other hon. Members in the Chamber is a reminder of the strength of feeling in Kent about this issue. The important contribution of my hon. Friend the Member for Dover (Charlie Elphicke) and the presence of my hon. Friends the Members for North Thanet (Mr Gale), for Folkestone and Hythe (Damian Collins) and for Rochester and Strood (Mark Reckless) shows that the issue affects a wider community than that in Sandwich.

We in the Government were deeply disappointed by Pfizer's decision. I vividly remember the meeting at No. 10 Downing street with the new chief executive of Pfizer on 24 January. I thought I was going to meet the new chief executive and learn about his plans for the future, so I was shocked and disappointed when he revealed that he was proposing to announce, in a week's time, Pfizer's withdrawal from its Sandwich plant. Of course, I asked immediately whether anything could be done in terms of national policy to change his mind and whether there was something we had got wrong that needed to corrected, but he was insistent that the decision was based on Pfizer's wider global view about the strands of medical activity on which it wished to focus. Sadly, some of the activities at Sandwich are ones from which it plans to withdraw. Since that conversation, in which Pfizer insisted that there was nothing we could do at the national level, the focus has quite rightly been on what we can do for the local community in Sandwich, the economy of that part of Kent and, more widely, for the life sciences in our country. I pay tribute again to my hon. Friend the hon. Member for South Thanet and her colleagues who are present for the incredibly constructive and energetic way in which they have tried to address that challenge.

We decided immediately to invite Paul Carter, the leader of Kent county council, to lead a local taskforce that would assess the impact on the local economy and look at measures that could be taken so that the local economy was not damaged severely by this decision. Of course, my right hon. Friend the Secretary of State for Business, Innovation and Skills and I are waiting for the report that he will bring to us, but it is already clear that three key issues have emerged, all of which were touched on by my hon. Friend the Member for South Thanet in her speech, the first of which is transport connections. It is clear that this is a long-standing problem in the area and, as she has said, it is one that I personally experienced in my painfully slow journey to Sandwich the other day.

Clearly, there are some important transport challenges, but my hon. Friend will understand that I can make no commitment tonight on public expenditure issues, which are matters for the Chancellor and the Secretary of State for Transport, but she, her colleagues and Kent county council have made very strong arguments about the need for a transport upgrade in the area. I understand the different things they are calling for, one of which is an improvement in the rail service. A powerful argument has been made that reducing the journey time to London to less than an hour would transform people's perceptions of the site and its accessibility.

The second argument that has been made is about the case for a new station and how that would encourage investment and would encourage people to move to the area.

Thirdly, there is the whole issue of the airfield at Manston. Occasionally, I think that we have found Boris Johnson's island. The existence of the runway and the great significance it could have for improving transport links has been drawn to our attention. I cannot make any commitments tonight, but that logic and the connection between the rail links, the new station and the future of the airfield have all been very well made and I know from my conversations with Councillor Paul Carter that he will be making those points in his report. We will then consider them very seriously indeed, because of the importance of the area and the severe blow that it has had with the withdrawal of Pfizer.

The second set of local issues concerns employment. My hon. Friend put it eloquently. After 60 years of presence in the area, during which time the researchers and staff at Sandwich developed some extraordinarily successful drugs, it is understandable that the prospect of 90 days' notice is extremely painful for people. There is great interest among the venture capital community and others in what could be done to support MBOs—to support new contract research organisations, perhaps to buy particular physical assets and intellectual property that has been generated on site. I understand that going through that process in the tight time scale of 90 days is very demanding. That is one of the reasons why we in the Government have tried to keep ahead of events and move with all necessary speed.

I will take up with Pfizer the points that my hon. Friend made about the need to give sufficient time for such options to be properly explored. As she knows, I have already convened a brainstorming session of venture capitalists and others at the Department for Business, Innovation and Skills, and I am keeping in close touch with the venture capital community. Yes, I will make the point to Pfizer that it has an obligation to ensure that such options are properly investigated.

The third thing that is on the agenda for the local community is the enterprise zone idea. I was at the Conservative party's spring conference in Cardiff this

[Mr David Willetts]

weekend, speaking on growth. The Chancellor gave an important speech with a clear commitment to back enterprise zones. Again, I cannot give any commitment this evening, but I know that my hon. Friend and her colleagues and the leader of Kent county council will be eloquent in making the case for the area as an enterprise zone, and I well understand the arguments that they will put.

There is much work to be done on the exact design of an enterprise zone—to what extent it is a matter of rate relief, liberalising the planning regime or other special tax reliefs. All that, I am sure, will be unveiled at the Dispatch Box in a fortnight, when the House may be even more crowded than it is tonight. We have only a short time to wait, but both the definition of the scope for enterprise zones and the choice of the areas where those will be is important. I know that the case for this area of Kent as an enterprise zone will be made powerfully.

I see those as the big local issues. We are focusing on all of them, working with the taskforce—the transport issues, the employment issues and the enterprise zone. Perhaps I can briefly mention the wider context. Although the decision has been a blow for the local community in Sandwich, it has led to stocktaking about life sciences as a British-based industry. It is clear now, especially when we put the Pfizer decision alongside a similar decision by AstraZeneca at Charnwood, that there are some big structural changes going on in the industry. I referred to one—Pfizer's decision to withdraw from some strands of research—but there is another issue as well.

There is a shift away from in-house research and development towards contractual arrangements with outside research organisations or contractual arrangements with university departments, where firms look for the original medical research to take place. Also, increasingly, the larger companies are waiting to see what small and medium-sized enterprises come up with and buying up the SMEs when they have clearly got the product. Just as the disappearance of Bell Labs was a wake-up call about changes in the structure of the IT industry 20 years ago, we are seeing an important change in the structure of the pharmaceutical industry.

The Government, and I with my responsibilities for life sciences, are committed to making sure that as these structural changes occur, Britain remains at the forefront of life sciences, and that we are sufficiently nimble footed and skilful that we ensure that as these changes happen Britain emerges from them with an even stronger life sciences economy than we have at present. That is why we have, for example, protected in cash terms the science and research budget and, within that, given particular protection to the Medical Research Council's budget, supported by the patent income it receives from successful patents. We know that high-quality medical research is absolutely fundamental to ensuring that we have a strong life sciences industry.

That is also why we are looking carefully at how we can improve the environment for clinical trials in this country. I see a great potential future for the Sandwich facility as a place from which clinical trials are run, even if no primary pharmaceutical or medical research is undertaken there. It is a scandal that we have inherited a regulatory regime in which it takes 660 days from the decision to test a drug to the first patient receiving it in a clinical trial. When we on the Government Benches talk about the burdens of red tape, it is not simply an abstract issue; we have a real example of that burden in front of us. The Secretary of State for Health and I received an excellent report on that in January, and I know that the Chancellor is very aware of it. I am absolutely committed to working with the Secretary of State to try to transform the environment for clinical trials so that Britain's declining market share in clinical trials is reversed. We have gone from having 6% of clinical trials to 2% in the past 15 years. That shocking decline under the previous Government must be arrested and reversed. We are trying to create a better environment for clinical trials, which could be of direct benefit for people at the Pfizer facility in Sandwich.

We are also looking carefully at the regime for venture capital investment, as we need to do everything possible to ensure that venture capitalists are keen to invest in this important sector. Again, we have seen a decline in venture capital investment in recent years, which we need to address and turn around. Finally, we must ensure that we have an environment in which contract research organisations—I suspect that we will hear more about those in the years ahead, as they will be an important part of the industry's future structure—have a tax and regulatory regime that supports them so that Britain becomes Europe's preferred environment for contract-based research.

If we put together our commitment to the local community, our willingness to focus on the specific issues that my hon. Friend the Member for South Thanet raised—transport, employment, redundancy arrangements and enterprise zones—and our commitment to life sciences as an important British strength where we can do better and must not settle for decline and contraction, I hope that she will take some comfort from this debate that she has rightly secured.

Question put and agreed to.

10.28 pm

House adjourned.

House of Commons

Tuesday 8 March 2011

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

HEALTH

The Secretary of State was asked—

Public Health Duties

1. **Steve Rotheram** (Liverpool, Walton) (Lab): How much funding he plans to allocate to local authorities to perform new public health duties in each of the next four years. [44476]

6. **Luciana Berger** (Liverpool, Wavertree) (Lab/Co-op): How much funding he plans to allocate to local authorities to perform new public health duties in each of the next four years. [44481]

9. **Nick Smith** (Blaenau Gwent) (Lab): How much funding he plans to allocate to local authorities to perform new public health duties in each of the next four years. [44485]

The Secretary of State for Health (Mr Andrew Lansley): Through the Health and Social Care Bill, we will give local authorities the powers and resources they need to improve the health and well-being of their local populations and to improve the health of the poorest fastest. To support planning by local authorities, I will later this year announce shadow allocations for 2012-13 for the local ring-fenced public health budget.

Steve Rotheram: Will the Secretary of State explain whether reforms outlined in the public health White Paper "Healthy lives, Healthy people" allow for a new formula for public health spending that sufficiently compensates deprived areas that have higher health needs, such as Liverpool?

Mr Lansley: Yes, it is certainly our intention that that should happen. The consultation on the structure of the health premium, which does not close until 31 March, is specifically designed to secure responses so that we can design the health premium to support local authorities in delivering the greatest increment in health improvement among those populations that currently have the poorest health. We will also continue to get advice from the Advisory Committee on Resource Allocation so that that is technically supported by the best advice.

Luciana Berger: Will the Secretary of State give us more detail on how local authorities will be incentivised to innovate in public health, given that hospitals rather than councils will benefit financially from better public health?

Mr Lansley: In the first instance, local authorities have the direct incentive that they represent the people who elect them and so will want to use the public health resources available to them to deliver the best possible public health services to their local population. The intention of our proposals, which has been very strongly supported, not least by the British Medical Association, the Faculty of Public Health, the Local Government Association and others, is to put public health resources alongside the range of responsibilities of local authorities which will have the greatest impact on the overall determinants of health: education, employment, housing, environment, transport and the like.

Nick Smith: Will the Secretary of State assure us that the forthcoming tobacco plan will be both comprehensive and targeted to ensure that smoking rates are reduced? Will he promote what works, such as the use of smokers group help sessions, which the Public Accounts Committee found to be very effective, and will he limit the recruitment of new smokers by banning tobacco displays in shops?

Mr Lansley: In the public health White Paper, which was just mentioned, the Government committed to publish a tobacco control plan, and we will present that to the House shortly.

Nadine Dorries (Mid Bedfordshire) (Con): A public health function which is funded by the Department of Health is carried out by the charity Marie Stopes. The last accounts available for this registered charity are from 2009 and, upon inquiry, it appears that no further accounts will be available for scrutiny until October 2011. Does the Secretary of State think that that is transparent? Is it good enough?

Mr Lansley: I am grateful to my hon. Friend for her question. As a registered charity, Marie Stopes is of course under an obligation to follow the rules and guidelines established by the Charity Commission on such matters. To that extent, these are not directly matters for me.

Annette Brooke (Mid Dorset and North Poole) (LD): On international women's day, what assurances can the Secretary of State give about the protection of reproductive and sexual services within the new framework?

Mr Lansley: My hon. Friend will know that through the plans set out in the Health and Social Care Bill the commissioning of those services will be the responsibility respectively of the NHS commissioning board and local authorities. Through local authorities, and as part of our public health responsibilities, we will be looking to promote good sexual health and high-quality support for people who need assistance with reproduction.

Bob Blackman (Harrow East) (Con): My right hon. Friend has referred to the ring-fencing of the money that is going to be given to local authorities. Will he advise the House how long he expects that ring-fencing to last? Is it until such time as local authorities can be trusted to spend the money on public health?

Mr Lansley: The purpose of the ring-fencing is not to force local authorities to spend money on public health that they would not otherwise spend, but to be very clear that that NHS money is in the hands of local authorities to deliver health gain. We want that transparency, and we want to link those resources directly to the achievement of the public health outcomes that we set out in draft in our consultation on the public health outcomes framework. As there is that separate intention to deliver overall public health outcomes, linked to the local health improvement plans, we wanted to be clear that those resources would be deployed for that purpose. But local authorities will have very wide discretion about how they deliver those services locally to secure that health gain.

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): Does the Secretary of State accept that the public could be forgiven for worrying that things will get worse, rather than better, in relation to public health? That is true of his health reforms across the piece, partly because, as we know, some local authorities are already cutting public expenditure given the budget cuts that they have to make, but also because of the difficulty in effectively ring-fencing the new funds that will be given to local authorities in due course.

Mr Lansley: In the first instance, I am not sure how the hon. Lady can argue that there is a difficulty with ring-fencing public health budgets, as they are not and will not be formally in the hands of local authorities until 2013-14. Clearly, there are no such practical issues at the moment. Further, she should have reflected the simple fact that we are already working between the NHS and local authorities to deliver much greater co-ordination in health, public health and social care. For example, this financial year, because we made savings in the Department of Health's budget, we were able to provide, through primary care trusts, £162 million extra for the purpose of delivering improvements in social care in local authorities. Local authorities are having to deal with substantial reductions in their formula grant and some reductions in their spending power, but the NHS and social care are getting a substantial increase in support, both from the formula grant of my right hon. Friend the Secretary of State for Communities and Local Government and specifically through the NHS.

Cancer Mortality Rates

2. **Chris Leslie** (Nottingham East) (Lab/Co-op): What steps he plans to take to reduce cancer mortality rates in deprived communities. [44477]

The Minister of State, Department of Health (Paul Burstow): "Improving Outcomes: A Strategy for Cancer" sets out our plans to reduce mortality rates by tackling preventable incidence and improving survival rates for those diagnosed with cancer. As we make it clear in the strategy, we cannot deliver the reductions without a focus on poorer socio-economic groups.

Chris Leslie: I wonder whether the Minister has seen the statistic that 70% of people with cancer can lose half their income during the course of their disease. Obviously, those who are least well-off will be hit the most. Would it not be best therefore for the Government to heed the warning from Macmillan Cancer Support and others that the Welfare Reform Bill proposal to end abruptly the eligibility for employment support allowance after 12 months is both unfair and arbitrary, particularly for those who have the fewest resources, as they try to recover from cancer?

Paul Burstow: That sounds more like a Second Reading speech on the Welfare Reform Bill than a Health oral question; but of course, we listen carefully to what Macmillan says. We work closely with it on many aspects of our cancer strategy, but it is also important to bear in mind that we need to ensure that people who are suffering from cancer receive the benefits to which they are entitled in a timely fashion, and we are working on that with colleagues from the Department for Work and Pensions.

Mr Peter Bone (Wellingborough) (Con): Mr Speaker, you might remember in the last Parliament that a young constituent of mine—a five-year-old boy—had neuroblastoma and that his likelihood of surviving that rare cancer was very small, but thanks to the intervention of Ann Keen in the last Parliament and working together, I am pleased to say that it has just been announced that that little boy is clear of cancer. Will the Minister comment on whether, as I hope, it will not be so difficult in this Parliament to get treatment for such cases?

Paul Burstow: I thank the hon. Gentleman for his question, and I share his satisfaction and pleasure at the successful treatment that his constituent's son received. Certainly, on cancer survival rates and cancer outcomes, we need to make sure not just that we are delivering for the most typical cancers, but that we have good processes that ensure early diagnosis of all cancers.

NHS Reform

3. **Mr Stephen Hepburn** (Jarrow) (Lab): What recent representations he has received on his proposed reforms of the NHS. [44478]

11. **Tony Lloyd** (Manchester Central) (Lab): What recent representations he has received on his proposed reforms of the NHS. [44487]

The Minister of State, Department of Health (Mr Simon Burns): The Government received more than 6,000 responses to the White Paper consultations. As a result, we have significantly strengthened both our approach to implementation and our proposals in the Health and Social Care Bill. We continue to engage widely across the health sector on our modernisation plans.

Mr Hepburn: Is not it only a Tory Government who can bring a system into the NHS whereby doctors get paid more for giving less treatment to their patients? What does the Minister have to say to the chairman of the BMA's GP committee, who described the plans for the quality premium as "appallingly unethical"?

Mr Burns: I have to admire the hon. Gentleman's sheer gall, because, of course, it was his own Government's 2004 contract with GPs that enabled them to do less work for far more money.

Tony Lloyd: The Minister will know that a concern about the Government's health policies is the increase role for the private sector. He will also be aware that at the Christie hospital in Manchester 150 jobs have been transferred from the NHS to the private contractor on that site. Will he give the people of the north-west an absolute guarantee that we will not have twin-track cancer treatment at Christie's and that there will not be a fast track for the private patient and a slow track for those on the national health?

Mr Burns: I can categorically give that assurance to the hon. Gentleman, because there is no two-track system. Where the private sector may provide care, it is to help to raise standards. I imagine he would agree with that, because he fought the general election on this manifesto commitment:

> "Patients requiring elective care will have the right...to choose from any provider who meets NHS standards of quality at"

the NHS level.

Mr Stephen Dorrell (Charnwood) (Con): Will my right hon. Friend tell the House how many representations the Government have received arguing the case in favour of the PCTs in the structure that we inherited at last year's general election? If, as I suspect, the answer to that question is not very many, is that not because there was a shared commitment between this Government and the previous Government to introduce genuine clinical engagement to the commissioning process?

Mr Burns: I am grateful to my right hon. Friend for that question. I can go a little further and say that, to the best of my knowledge, we received no representations to keep the PCTs. He is right when he talks about what the previous Government were seeking to do, and we want commissioning to go to the local level—to GP commissioners, who have the best knowledge of the needs of their patients. The fact that we have so many pathfinders shows that GPs are signing up voluntarily, with enthusiasm, to take part in the scheme.

Jason McCartney (Colne Valley) (Con): A consultation is under way on the reconfiguration of children's heart surgery units. Last week, a number of colleagues from both sides of the House met a number of parents who are campaigning to keep the unit at Leeds general infirmary. Will my right hon. Friend confirm when he will announce his preferred option and what processes will be gone through to reach that decision?

Mr Burns: I am grateful to my hon. Friend, who was present at last Thursday's Adjournment debate. He will know that the proposals, the options put together and the consultation, which we have just begun, have been organised at arm's length from Ministers by the joint committee of PCTs. As I said on Thursday, I trust that he will forgive me if I say that it would be totally inappropriate for me to comment, because that might be seen as trying to influence or prejudge the ultimate outcome.

Liz Kendall (Leicester West) (Lab): Before the election, the Secretary of State went up and down the country promising that his NHS reforms would save local A and E and maternity services, but on 1 March, during consideration in Committee of the Health and Social Care Bill, when I asked the Minister whether London's A and E departments would be on the safe list of designated services that will not close, he said that

> "I suspect the answer is that no...it will not be a designated service...there is a significant number of A and E services in London. There would not be a need to designate them".—[*Official Report, Health and Social Care Public Bill Committee,* 1 March 2011; c. 349.]

Will the Minister now give the House a clear and simple answer to a simple question: will every London A and E remain open under this Government—yes or no?

Mr Burns: Mr Speaker, if you had had the opportunity to read the exchange in Committee, you would understand that the hon. Lady's question is not factually correct. She asked me figuratively what would happen in an urban area as compared with a rural area, and as I explained three times during further interventions from her, my answer was illustrative, not definitive, because that would have been premature. She is trying to scaremonger—causing fear with something that she knows is inherently not true.

MRSA and Clostridium Difficile

4. **Andrew Rosindell** (Romford) (Con): What recent steps his Department has taken to reduce the incidence of MRSA and clostridium difficile in hospitals. [44479]

The Minister of State, Department of Health (Mr Simon Burns): This Government have made it clear that the NHS must adopt a zero-tolerance approach to health care-associated infections. We reinforced this in the "NHS Operating Framework 2011-12", requiring the NHS to prioritise delivery of the MRSA and the new C. difficile objectives. In 2009-10 C. difficile infections decreased by 29% and MRSA decreased by 35% on the previous year.

Andrew Rosindell: I thank the Minister for his reply, but will he tell me specifically what action the Government are taking to deal with MRSA and C. diff, particularly in the Queen's hospital in Romford and throughout the Barking, Havering and Redbridge NHS Trust? Will he assure the House that any such case will be made public by the hospital trust and not kept quiet?

Mr Burns: I can assure my hon. Friend that the performance at his trust on health care-associated infections is unacceptable. We have set demanding objectives for reducing both those infections. In 2011-12, his trust's MRSA objective requires a reduction of 58%, one of the highest reductions in the country. Its C. difficile objective requires it to deliver a 24% reduction. The consequence of non-achievement is an option to withhold part of the contract payments, and I can categorically assure my hon. Friend that there is no question of keeping this information or developments secret. We require weekly publication of figures.

Mr Jamie Reed (Copeland) (Lab): As the Secretary of State knows, the north Cumbrian health economy is in crisis. GP commissioning is providing £30 million less for acute hospital services in north Cumbria this year than it did last year. This has resulted in the trust being unable to seek foundation trust status, and it is seeking a merger which minutes leaked to me by consultants say could lead to the closure of the West Cumberland hospital. Will the Secretary of State meet me as a matter of urgency so that we can collectively find how we can get the hospital out of that hole? Will he also consider a delay to foundation trust status to give the hospital trust more time to get back on its feet?

Mr Burns: I am a bit confused, Mr Speaker, as the question is about MRSA and C. difficile, and I did not hear any specific question from the hon. Gentleman on that subject.

Mr Speaker: I am grateful to the Minister of State. My sense is that the hon. Member for Copeland (Mr Reed) is seeking a meeting. The Minister is perfectly at liberty to say more if he wishes, or if he does not think it is worth it, he does not have to do so.

Mr Burns: Mr Speaker, you are a wise owl to be able to interpret what Opposition Members are thinking but may not be saying. If the hon. Gentleman has concerns along the lines that he mentioned, I or one of my ministerial colleagues would be more than happy to meet him.

Mr Speaker: Wise owl is the kindest description that the hon. Gentleman has ever offered of me. I shall take it that he means it. It's the best I'll get.

GP Commissioning Consortia

5. **Mr Marcus Jones** (Nuneaton) (Con): What recent progress he has made on the introduction of GP commissioning consortia. [44480]

The Secretary of State for Health (Mr Andrew Lansley): Last week I announced the third wave of general practice-led pathfinder consortia. I am sure my hon. Friend will be delighted that the Nuneaton and Bedworth pathfinder was announced as part of that. There are now 177 groups of GP practices covering in total 35 million people across England, piloting the future general practice-led commissioning arrangements. I expect further coverage in the coming months. Pathfinders are playing an increasing role in commissioning care for patients, so more and more people will benefit from clinical leadership in planning their care.

Mr Jones: In giving GP consortia such powers, will my right hon. Friend confirm that if consortia prove to be good housekeepers in terms of both commissioning and budgets, there will be some form of reward incentive that they can invest back into local patient care?

Mr Lansley: Yes, I can. Consortia will be able to reinvest any savings they make from their commissioning budgets for patients into improving patient care and health outcomes for patients for whom they are responsible. We have also proposed that consortia should receive a quality premium based on the outcomes achieved for patients, similar at a consortium level to the quality and outcomes framework for individual practices. That will incentivise the consortium as a whole to deliver improving outcomes for patients.

Emily Thornberry (Islington South and Finsbury) (Lab): Some Government Members have supported the Government's proposals for GP consortia because they believe that hospitals in their constituencies will be protected from closure, but yesterday's leaked letter from the Foundation Trust Network to the Department of Health proves them wrong. It warns that financial stress is threatening the organisational survival of some foundation trusts. Now that they know that their hospitals are in danger, will the Secretary of State tell us all which faceless bureaucrats will be closing our hospitals and what extra powers, if any, local communities will have to stop them?

Mr Lansley: That will be the leak that took place when the head of the Foundation Trust Network gave it to the BBC.

The hon. Lady might not be very experienced in these matters, but she will know that at this time of year, in anticipation of the new financial year, hospitals tell their local primary care trusts how much money they would like to have, but that is not the same as the amount of money available in the whole system. That is part of the contract negotiations. She should also know that the necessity to deliver efficiency savings and redesign clinical services will mean that hospitals need to deliver 4% efficiency gains year on year, right across the NHS.

Liz Kendall (Leicester West) (Lab): It will be 6.5%.

Mr Lansley: It will not be 6.5%, because things need to change so that efficiencies can be achieved within hospitals. That much is absolutely clear, and we have been clear about that. It does not threaten the future of hospitals, but incentivises to improve the design of clinical services and improve care for patients, providing more accessible care in the right place and at the right time.

Cancer Services

7. **Stephen Phillips** (Sleaford and North Hykeham) (Con): What steps his Department is taking to improve outcomes for cancer patients. [44482]

10. **Mr Stewart Jackson** (Peterborough) (Con): What steps he is taking to improve NHS cancer services. [44486]

13. **Jessica Lee** (Erewash) (Con): What steps he is taking to improve NHS cancer services. [44490]

14. **Rehman Chishti** (Gillingham and Rainham) (Con): What steps he is taking to improve NHS cancer services. [44491]

17. **Steve Baker** (Wycombe) (Con): What steps he is taking to improve NHS cancer services. [44495]

The Minister of State, Department of Health (Paul Burstow): We published our cancer strategy in January, which set out a range of actions to improve cancer outcomes and cancer services. We set out our plans to improve earlier diagnosis, access to screening, treatment and patient experience of care.

Stephen Phillips: I am grateful to my hon. Friend for that answer. He and my right hon. Friend the Secretary of State will be aware of the concerns expressed by a number of GPs across the country, including in my constituency of Sleaford and North Hykeham, about the pace of reform in the NHS. What assurances can he give the House that GP consortia will continue to have access to the expertise they need to commission effective cancer services?

Paul Burstow: I am grateful to my hon. and learned Friend for that question, because part of that pace is, of course, due to the fact that a substantial part of the country is now covered by pathfinder GP consortia, many of which are actively engaging with their colleagues in cancer networks and developing the expertise and experience that will be essential in taking forward their commissioning responsibilities. We have already made it clear that funding will be available in the coming year for the commissioning networks for cancer and that after that it will be a matter for the NHS commissioning board.

Mr Stewart Jackson: Cancer specialists at Peterborough City hospital tell me that they are prevented from prescribing drugs to needy patients, even after accreditation by the National Institute for Health and Clinical Excellence, as a result of the necessity for further approval by their local primary care trusts. Will the Minister undertake to tackle that bureaucratic delay, as it is having a significant impact on clinical outcomes in my constituency?

Paul Burstow: There are several aspects to my hon. Friend's question. One is that we need to see much more commissioning for outcomes in cancer services. We must also ensure that full advantage is taken of the cancer drugs fund. I would be happy to look at any specific details of the case he has mentioned if he cares to write to me.

Jessica Lee: Does my hon. Friend agree that an important part of improving cancer care in this country is supporting the excellent palliative and respite care wards, such as Oakwell ward in Ilkeston community hospital in my constituency? It would be remiss of me, as the daughter of a nurse, not also to ask him to pay tribute to the nursing staff who work in that important area.

Paul Burstow: First, I will take the opportunity to pay that tribute to the excellent and hard work of clinicians in providing invaluable support to people affected by cancer. My hon. Friend is also right to refer to the importance of respite care for families. As part of the end-of-life strategy that the Government are taking forward, we are looking to improve palliative care services and inquiring into the possibility of a per-patient funding mechanism to cover the costs of these services.

Rehman Chishti: Given the Minister's commitment to improving patient experience, and the significant learnings from the national cancer patient survey, will he ensure that from now on the survey will be conducted annually?

Paul Burstow: My hon. Friend is right to draw attention to that survey, which has produced invaluable data. More than 65,000 patients took part in the 2010 survey, and it is proving to be an invaluable tool in enabling trusts and commissioners to identify areas where there is scope for improvement locally. The cancer strategy that we published in January commits us to repeating such a patient experience survey, and we are exploring the options at the moment.

Steve Baker: What is the Government's policy in relation to those charities that provide indispensable services to cancer patients and their families? I have in mind, in particular, Macmillan and Marie Curie.

Paul Burstow: My hon. Friend is absolutely right to describe the contribution of Macmillan, other cancer charities and, indeed, charities in the health sector more generally as indispensable. I recently had the pleasure of visiting Macmillan's headquarters, where I did an online chat with a number of cancer sufferers and their families and saw the helplines and other support services that it provides. In our cancer strategy, we are very clear that such charities have an invaluable role to play.

Alison Seabeck (Plymouth, Moor View) (Lab): Plymouth and neighbouring Cornwall, a former objective 1 area, suffer from enormous deprivation. Will the Minister therefore do all he can to ensure that those communities benefit from Plymouth Hospitals NHS Trust's much hoped-for CyberKnife technology, and that its benefits for cancer patients are felt not just in London, but more widely in other regions?

Paul Burstow: I am very grateful to the hon. Lady for her question, and she is absolutely right: that technology is invaluable. We want to ensure that it is available to the patients, and the tariff structures need to ensure that it is properly supported. She is right also that issues of equality in the service are key, and that is why we have maintained this Government's commitment to supporting the NHS constitution and its commitment to promote equality in the system.

Chris Ruane (Vale of Clwyd) (Lab): What assessments has the Minister made of the work of academics, such as Robert Putnam, who claim that one of the biggest influences on health outcomes and recovery is social cohesion within a neighbourhood, friendship groups and families? If the Minister has made an assessment, is he putting forward any policies that will help to expand that area?

Paul Burstow: I thank the hon. Gentleman for that question. Indeed, the importance of family and social networks is a key component of the vision for social care, which we set out in November. Importantly, social care can support those networks through support for family carers.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): Queen Elizabeth hospital in my constituency provides excellent cancer care for the people not just of Birmingham, but of the west midlands. Following a freedom of information request by Unison, it has become clear that the hospital faces a 17%—or £22.5 million—cut in its funding from primary care trusts. How can the Minister say that cancer care will not be compromised if we have cuts on that scale?

Paul Burstow: First, there has been a 3% average increase in the funding that is available to PCTs, and, as my right hon. Friend the Secretary of State said in answer to an earlier question, we are currently in that process of negotiation between hospital trusts and PCTs. It remains to be seen where the final figures will settle, but the money is in the system: the Government are committed to putting £10.7 billion extra in the system—something that the Labour party actually opposed.

Toby Perkins (Chesterfield) (Lab): As someone whose mother died of cancer, no one needs to tell me how important cancer is within the NHS, but it is noticeable that nine out of 13 questions asked by Conservative Members are about cancer; it seems to be the only part of the NHS which the Government are happy to talk about. But cancer cannot be taken in isolation from the rest of the NHS, when there is a massive reorganisation costing billions of pounds which only one in four GPs thinks will actually improve the service. How can that possibly involve doing the best for cancer patients?

Paul Burstow: Again, I suspect that the hon. Gentleman is trying to re-run the Second Reading of, in this case, the Health and Social Care Bill, but in fact this Government are committed to seeing improvements across the board. That is why in the NHS outcomes framework we do not just talk about cancer, we identify other areas as well. If hon. Members table the questions, I am certainly happy to answer them.

Derek Twigg (Halton) (Lab): The Secretary of State is fond of making unfavourable comparisons between European and UK health outcomes, but recent research shows that we are doing much better than the picture he portrays. Independent research has borne that out. Concerns have also been raised about the impact of his NHS reorganisation on cancer networks. Sarah Woolnough of Cancer Research UK says:

> "One of our concerns is to ensure that we do not lose the expertise that we have been developing."—[*Official Report, Health and Social Care Public Bill Committee,* 10 February 2011; c. 116, Q227.]

Under this Government, however, patients are already waiting longer than six weeks for diagnostic tests, many of which are for cancer. In fact, the numbers have doubled, and that is according to the Department's own figures. Can I ask the Minister why?

Paul Burstow: On the hon. Gentleman's last point, the first thing to say is that average waiting times have gone down, but beyond that, he is right to identify the need to achieve earlier diagnosis. That is one of the reasons performance in this country on cancer survival has not been as good in comparison with other European countries. That is why, in the outcomes strategy that we published in January, we made it clear that we would put in an extra £450 million over the next four years to fund the additional diagnostic procedures directly available to GPs so that they can make those tests available to their patients.

Care Home Beds (North-east)

8. **Chi Onwurah** (Newcastle upon Tyne Central) (Lab): What assessment he has made of the adequacy of the number of care home beds available in the north-east over the comprehensive spending review period. [44484]

The Minister of State, Department of Health (Paul Burstow): Local councils are responsible for ensuring that there is sufficient residential care provision to meet the needs of their populations. I understand from the Care Quality Commission that the number of care home places in the north-east has risen substantially and steadily in recent years.

Chi Onwurah: A recent report from Bupa predicts a shortfall of 100,000 in the provision of care home beds nationally because of the cuts and because of our ageing population. That will obviously impact on hospital beds. How will the Minister prevent that from impacting on health care in the north-east if he is not going to ring-fence the social care budget?

Paul Burstow: First, let me re-emphasise that we know, on the basis of independent assessments that have been carried out, that across England there is a surplus of 50,000 care home places. As regards the provision of care home places and the funding of social care, we have committed to an extra £2 billion going into the system by 2014, half through local government and half directly via the NHS, to ensure that social care services receive support; and just this year, an extra £162 million will go to local authorities to support them in their social care activities.

Mixed-sex Accommodation

12. **Lorraine Fullbrook** (South Ribble) (Con): What progress he is making in reducing mixed-sex accommodation in the NHS. [44489]

The Parliamentary Under-Secretary of State for Health (Anne Milton): Mixed-sex accommodation breaches patients' privacy and decency. The number of breaches is now coming down, but there are still far too many. That is why, from April, hospitals will be fined £250 for every breach of mixed-sex accommodation. That money will be reinvested back into patient care.

Lorraine Fullbrook: I welcome the Government's move to increase accountability to patients by publishing all occurrences of a patient being placed in mixed-sex accommodation. Does my hon. Friend agree that this move, with the prospect of hospitals being fined £250 per patient placed in mixed-sex accommodation, shows that this Government are tackling a problem that the previous Government claimed was impossible to solve?

Anne Milton: We are taking this extremely seriously. I should point out to my hon. Friend that there should be no exceptions to providing high-quality care, which includes high standards of respect for people's privacy and dignity. We need robust information and the monthly publication of the breach figures, which will tell the public what is going on and allow the NHS to make progress. The previous Government dragged their feet on this issue with a complex system that was neither transparent nor effective.

Tuberculosis

15. **Michael Connarty** (Linlithgow and East Falkirk) (Lab): What steps he plans to take to reduce the incidence of tuberculosis. [44493]

The Parliamentary Under-Secretary of State for Health (Anne Milton): We expect NHS organisations and their partners to ensure early detection, treatment completion and co-ordinated action to prevent and control TB. The Department and the National Institute for Health and Clinical Excellence have published supporting guidance. We are also continuing to support the charity TB Alert to raise public and professional awareness of TB.

Michael Connarty: I think the House should be concerned that in an excellent presentation back in September, it was explained that only 61% of people in London complete treatment for tuberculosis, that the incidence of tuberculosis in the UK is behind only the levels in Spain and Portugal, and that there were over 400,000 cases in the European Union in 2009. The London report that came out said that we had to invest in the service to provide a TB board for London and probably spread that to other big cities, where most of the people who have TB were not born in the UK.

Anne Milton: The hon. Gentleman is absolutely right. The World Health Organisation threshold for high instance is defined as 40 cases per 100,000. Of the 19 relevant primary care trusts in this country, 16 are in London. There is no doubt that this is a complex problem. In the past two decades, the increase in instances has come from people who were not born in this country. We are doing a number of things. The Home Office is reviewing the effectiveness of screening, and is running a pilot of pre-entry TB screening in areas of countries where there is a high instance. The problem is that it is not always detectable when people enter this country.

Mary Macleod (Brentford and Isleworth) (Con): Tuberculosis is a key health issue for those in the London borough of Hounslow. What more does my hon. Friend feel we can do to build public awareness and to ensure early diagnosis?

Anne Milton: My hon. Friend is right. NHS London will continue to fund the TB find-and-treat outreach programme for the homeless and other vulnerable groups, which includes the use of mobile X-ray units. The Department will continue to provide money to support TB Alert, which builds capacity in the voluntary sector and raises awareness.

GP Commissioning Consortia

16. **Alex Cunningham** (Stockton North) (Lab): What estimate he has made of the average amount of time per week GPs will allocate to the administration of commissioning consortia under his proposals for NHS reform. [44494]

The Minister of State, Department of Health (Mr Simon Burns): We anticipate that GPs will focus on the aspects of commissioning that will benefit most from their clinical expertise and understanding of patients' needs. Only a minority of clinicians will play a hands-on, executive role in consortia. Moreover, they will be able to secure support services to assist with their administrative and commissioning duties.

Alex Cunningham: At present, GPs are able to spend only about eight or nine minutes on average with each patient. How can the Secretary of State expect GPs to be meaningfully engaged in commissioning when, unlike him, they are putting patients first?

Mr Burns: Unlike the hon. Gentleman, my right hon. Friend the Secretary of State actually understands the situation. It is not true that doctors see patients for only eight minutes; GPs see their patients for the length of time that they feel they should see them. The concept that GPs will have their time taken away from looking after patients to do commissioning is not right, because GPs will employ commissioners with expertise to work with them and do the commissioning for them, so that they can get on with looking after their patients.

Andrew George (St Ives) (LD): With regard to the admin load of GPs, the Government correctly want to have better integration of health and social care. Why, therefore, are they creating GP consortia that are less coterminous with local authority boundaries than the existing primary care trusts? How will that help to deliver a better integrated health and social care system?

Mr Burns: I hope that I can reassure my hon. Friend ~~in so far~~ as that is not automatically or necessarily the case. The geographical area of a consortium will be determined by what is most appropriate in the local area.

John Mann (Bassetlaw) (Lab): When, oh when, will the Minister listen to the country, get his sticky mitts off the health service and stop meddling with our hospitals and doctors?

Mr Burns: We are not meddling; we are modernising the NHS to put quality at the heart of care, and to enhance and improve outcomes, which is the most important thing for patients.

Cancer Strategy

18. **Greg Hands** (Chelsea and Fulham) (Con): What assessment he has made of the effect on survival rates of his Department's cancer strategy. [44496]

The Minister of State, Department of Health (Paul Burstow): We published "Improving Outcomes: A Strategy for Cancer" on 12 January. It sets out a range of actions to improve cancer outcomes, including diagnosing cancer earlier, helping people to live healthier lives to reduce preventable cancers, screening more people, introducing new screening programmes, and ensuring that all patients have access to the best possible treatment, care and support. Through those approaches, we aim to save at least an additional 5,000 lives every year by 2014-15. We will publish annual reports to measure progress on implementation of the strategy.

Greg Hands: Does my hon. Friend agree that the establishment of the cancer drugs fund will help the UK to raise its cancer survival rate from among the worst in Europe to potentially one of the very best? *[Interruption.]*

Paul Burstow: My hon. Friend is absolutely right to draw attention to that, and it is interesting that a number of Opposition Members are saying that they do not see it as making any contribution whatever to the quality and extension of life. Yes, the funds that the Government provided very early on will be available to ensure that people get access to drugs that have hitherto not been available to them.

Mr Andrew Love (Edmonton) (Lab/Co-op): The Minister has indicated several times that diagnosing cancer earlier is the solution to the difficulties that we face. What is he going to do to bring that about?

Paul Burstow: Just a few weeks ago we started a pilot of a national advertising campaign on bowel cancer, with the key message being that people should never feel embarrassed about talking about their poos, so that they get the diagnosis that they need at the earliest opportunity. We are ensuring that such messages get across, even in the Chamber today. We are taking steps to raise awareness so that people get earlier diagnoses.

Topical Questions

T1. [44501] **Stephen Mosley** (City of Chester) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Health (Mr Andrew Lansley): My responsibility is to lead the NHS in delivering improved health outcomes in England, to lead a public health service that improves the health of the nation and reduces health inequalities and to lead the reform of adult social care, which supports and protects vulnerable people.

Stephen Mosley: Prostate cancer is the most common form of cancer in men, with a quarter of a million men currently affected and one man dying every hour. This month is prostate cancer awareness month. What action is my right hon. Friend taking to help raise awareness of prostate cancer?

Mr Lansley: As the Minister of State, my hon. Friend the Member for Sutton and Cheam (Paul Burstow), has set out in previous answers, our cancer outcome strategy commits more than £450 million a year over the spending review period to achieving earlier diagnosis of cancer, including access for GPs in the community to diagnostic tests such as non-obstetric ultrasound. At the heart of the strategy is the need to improve awareness and early diagnosis of all cancers, and we are working with the prostate cancer advisory group to help men who do not have symptoms to make decisions about whether to have a prostate-specific antigen test.

John Healey (Wentworth and Dearne) (Lab): The Prime Minister promised to protect the NHS. What does the Health Secretary say to the people who are not getting the hip, knee and cataract operations that they need, and to the patients who are now having to wait longer for tests and treatment?

Mr Lansley: I will say three things. First, we did protect the NHS, contrary to the recommendations of the Opposition, who said that we should cut the NHS budget. Next year, primary care trusts across England will receive an average increase of 3% in cash. I went to Wales at the weekend, to Cardiff. The people of Wales are seeing a Labour-led Assembly Government cutting their NHS budget in real terms. That was what the Opposition recommended we should do, and we are not doing it.

Secondly, the number of hip and knee replacement operations went up in 2010 compared with 2009—the Patients Association figures were wrong about that. Thirdly, waiting times are stable, as we have set out, and the latest figures show that the average waiting time for diagnostic tests has gone down.

John Healey: The Secretary of State is a man in denial. What does he say to the chief executive of the Patients Association, who has said:

> "It is a disgrace that patients are being denied access to surgical procedures that they would have had if they had needed them a year ago"?

What the Government are doing on the NHS is making things worse, not better. The Secretary of State is axing Labour's patient guarantee on waiting times, he is breaking the promise of a real rise in NHS funding, he is wasting £2 billion on the Government's top-down reorganisation and he is forcing market competition into all parts of the NHS. Does he not see that the NHS is rapidly becoming the Prime Minister's biggest broken promise?

Mr Lansley: I can tell the right hon. Gentleman and the House exactly what we are doing. We are increasing the budget for the NHS by £10.7 billion over the next four years, contrary to what the Opposition told us they would do and what a Labour-led Assembly Government in Wales are doing. They are cutting the NHS budget in real terms.

Let me take one example. The number of hip operations in the first half of this financial year was 41,863, whereas in the previous period it was 39,114, and waiting times are stable, so the right hon. Gentleman's assertion simply is not true. We are delivering an improving quality of care.

Let me give the right hon. Gentleman another example. As the Minister of State, my right hon. Friend the Member for Chelmsford (Mr Burns), said, not only are waiting times stable but infections are going down, with a reduction of 29% in C. diff rates and 35% in MRSA rates in our hospitals. Safer, higher-quality care—

Mr Speaker: Order. I am very grateful, but from now on we do need briefer answers—*[Interruption.]* No, we need briefer answers, because I want to accommodate Back-Bench Members. It is about them that I am concerned.

T2. [44502] **Philip Davies** (Shipley) (Con): I believe that the introduction of plain packaging for cigarettes would be gesture politics of the worst kind, that it would have no basis in evidence and that it would simply be a triumph for the nanny state—and an absurd one at that. Given that, does the Secretary of State believe that I am still a Conservative, and if so, is he?

Mr Lansley: I am happy to believe that we are both Conservatives. The coalition Government made a commitment in our public health White Paper to publishing a tobacco control plan. We will do so shortly, and the purpose will be very clear: to secure a further reduction in the number of people smoking, and as a consequence, a reduction in avoidable deaths and disease.

T4. [44504] **Tristram Hunt** (Stoke-on-Trent Central) (Lab): What assessment has the Secretary of State made of epilepsy helplines in helping to save NHS costs? I have constituents who are able to live happy and fulfilled lives by talking with epilepsy specialist nurses on the phone rather than going into hospital, but unfortunately, it seems as if that service is under threat from the University hospital of North Staffordshire. What is Government policy, and will he look at the situation in north Staffordshire?

The Minister of State, Department of Health (Paul Burstow): The hon. Gentleman is absolutely right to say that telephone services of the sort he describes play an invaluable role in giving people support. Again, we are at that point in the year when there are budget arguments between PCTs and hospitals, to which he refers. If he supplies me with further details on this case, I will happily write to him.

T3. [44503] **Mark Lancaster** (Milton Keynes North) (Con): The Secretary of State has visited Milton Keynes, so he will be well aware of the historical problems at the maternity unit there and, following the intervention of his Department, of the positive outcomes that have been achieved with one-to-one supervision for all mothers. I am convinced that the increased training of midwives has contributed to those outcomes, but may I press him to reassure the House that that level of training will continue?

Mr Lansley: Yes, I am very grateful to my hon. Friend and I share his wish for continuing improvement in the maternity services at Milton Keynes hospital. I can tell him and the House that we are delivering on our commitment to improve maternity services, which is at the heart of that wish. The number of midwifery training places commissioned for next year—2011-12—will be no less than this year, sustaining a record number of midwives in training. That will be on top of an increase between May and November 2010—after the coalition Government came in—of 296 additional midwives employed in the NHS.

T6. [44506] **John Robertson** (Glasgow North West) (Lab): Following on from the question asked by my right hon. Friend the Member for Wentworth and Dearne (John Healey) on the £2 billion that the Secretary of State is using for his top-down reorganisation, does the Minister feel that that kind of money, which was not mentioned in the Conservative manifesto, would be better spent on health care and on building new hospitals?

The Minister of State, Department of Health (Mr Simon Burns): May I tell the hon. Gentleman that his figures are wrong? The cost of the modernisation of the NHS is £1.4 billion by 2012-13. That will be recouped in savings that by the end of this Parliament will be £1.7 billion a year, every year till the end of the decade, of which every single penny will be reinvested in front-line services and for patients.

T5. [44505] **Ian Swales** (Redcar) (LD): A new primary care hospital opened in Redcar at the end of 2009. So far, the endoscopy unit and the two operating theatres are completely unused, and a state-of-the-art hydrotherapy pool has hardly been used. Will the Minister meet me to discuss that commissioning failure and to see how we can bring those facilities into use for the local community?

Mr Burns: I understand that the PCT will continue to work with health care providers to develop existing and future services at Redcar primary care hospital, and to promote the availability of services, but I would be more than delighted to meet the hon. Gentleman to discuss that issue.

T7. [44507] **Steve McCabe** (Birmingham, Selly Oak) (Lab): Every 23 minutes, someone in the UK is diagnosed with a blood cancer disorder—that is 23,600 people per year, including many children. Survival often depends on a donor match. Today until 6 pm, the Anthony Nolan trust has a stand in Portcullis House, where people can get more information, and where those under 40 can register. Will the Minister join me in promoting the donor register and in encouraging MPs and staff to visit the stand?

Paul Burstow: I think that more than one of us wanted to do just that, because the Anthony Nolan trust does a fantastic job. The hon. Gentleman is right to raise awareness of it, and all hon. Members should take the opportunity to visit its stand today.

T8. [44508] **Priti Patel** (Witham) (Con): Witham town council and my constituents are deeply concerned about the lack of local medical facilities serving our town. Will the Secretary of State reassure my constituents that under the new commissioning arrangements medical provision in our town will be able to expand?

Mr Lansley: I can give my hon. Friend the reassurance that in future her local general practices—together in a commissioning consortium—and their other health care professionals, meeting with the health and wellbeing board in the local authority, will be able to bring democratic accountability in order to ensure that they have in her town and surrounding area the necessary services, based on a strategic assessment of need in their area.

T9. [44509] **Ms Karen Buck** (Westminster North) (Lab): The NHS in north-west London is facing a £1 billion shortfall in funding over the spending period. Is the Secretary of State surprised, therefore, that yesterday's NHS Confederation survey of managers found that just 13% of managers thought that supporting GP commissioning was the highest priority, compared with 63% who thought that the cash crisis was the highest priority? Is it not the case that financial pressures are dictating the NHS reform agenda, rather than the other way around?

Mr Lansley: I remind the hon. Lady again that next year we are increasing NHS resources in real terms. There will be a 3% increase across England in resources for primary care trusts, and as she will know, PCT managers in London are being brought together into PCT groupings. I do not understand the survey. They have a responsibility both to improve clinical commissioning by supporting their GP groups, which are coming together across London to do this, and to ensure strong financial control.

Simon Kirby (Brighton, Kemptown) (Con): How can the Secretary of State ensure that HIV and sexual health services receive sufficient local political attention?

Mr Lansley: Local attention, through the public health responsibilities that currently lie with PCTs, but which in future will lie with local authorities, is a means by which we can improve health and the health of some of the groups most at risk of HIV. We have a number of pilot schemes that my hon. Friend might know about and that we are currently assessing, which have looked at opportunistic HIV screening for the many people who are currently undiagnosed with HIV. That is encouraging, and we might well be able to follow up on it.

T10. [44510] **Valerie Vaz** (Walsall South) (Lab): Given that the chief medical officer does not have a background in public health, and despite the existence of Public Health England, should the Secretary of State not ensure that there is a public health expert on the national commissioning board, because that is where all the power lies?

Mr Lansley: I am surprised, because the hon. Lady is on the Select Committee on Health and should know that responsibility for public health will lie both with Public Health England, inside the Department of Health, and with local authorities. The NHS commissioning board will have a responsibility for prevention, but the population health responsibility will lie with Public Health England, and I have absolute confidence that Dame Sally Davies, the newly appointed chief medical officer, will be a leader in public health delivery, through Public Health England.

Jane Ellison (Battersea) (Con): I represent a constituency with a young and highly mobile population. Younger women are very much over-represented among those who do not respond to routine invitations to screenings. Will Ministers promote the increasing use of mobile communications in inviting women to routine screening services?

Paul Burstow: That is certainly one way in which we can improve access, and it is one of many that we outlined in the improving cancer outcomes strategy that we published in January.

Mr Ben Bradshaw (Exeter) (Lab): Given that the Prime Minister has ordered his new communications director to order a shake-up of the health team because he is worried that they are losing the argument on the Government's health upheaval, would it not save us all a lot of trouble if the Secretary of State admitted, not least to the Prime Minister, that it is not the public relations that is the problem, but the policy?

Mr Lansley: The right hon. Gentleman should not believe what he reads in the newspapers.

David Tredinnick (Bosworth) (Con): The cancer drugs fund is available only for pharmaceutical drugs, but can it be used for wider support services, such as healers, aromatherapists, those using therapeutic touch and other such practitioners?

Mr Lansley: We are finalising the design of the future cancer drugs fund from April, and we will publish shortly. The interim cancer drugs fund is designed to support new effective medicines, based on clinical panels' assessments of the needs of individual patients.

Mrs Jenny Chapman (Darlington) (Lab): Today is international women's day, so let me pass on the good wishes of the women of Darlington to the Secretary of State.

Chris Ruane (Vale of Clwyd) (Lab): All of them.

Mrs Chapman: Indeed. However, what does the Secretary of State have to say to those women when they are angry and concerned at the proposal from the County Durham and Darlington foundation trust to move their maternity services from Darlington to Durham, 20 miles away?

Mr Lansley: I would be grateful if the hon. Lady conveyed my very best wishes to the women of Darlington on international women's day and said to them that I know from my visits to the north-east that a general practice-led commissioning pathfinder consortium has come together in their area. It is with that consortium and their local authority that they should look at which services they think should be provided in their area, and they will have the power to make that happen.

Stuart Andrew (Pudsey) (Con): What plans does my right hon. Friend have to increase the number of single rooms in the NHS? Increasing their number will help to tackle mixed-sex accommodation, and increase privacy and dignity in end-of-life care.

The Parliamentary Under-Secretary of State for Health (Anne Milton): I thank my hon. Friend for that question. As was said earlier, privacy and dignity are central to all the care that we provide in the health service. Mixed-sex accommodation was not tackled by the previous Government; we are determined to tackle it now, and providing single rooms is part of that. Privacy and dignity must be maintained at all times.

NEW MEMBER

The following Member made and subscribed the Affirmation required by law:

Daniel Owen Woolgar Jarvis, for Barnsley Central.

Points of Order

3.33 pm

Huw Irranca-Davies (Ogmore) (Lab): On a point of order, Mr Speaker. Today the Government have published their draft carbon plan, which we all welcome. There is a commitment in the plan to reviewing feed-in tariffs for microgeneration in 2012-13, as originally set out by the previous Government. However, in just the past few weeks the Government have announced that a fast-track review of those solar feed-in tariffs is to take place by this July. Thousands of jobs in this country are dependent on the certainty and clarity of knowing what will happen with the feed-in tariff review and when it will happen. Today's document is co-signed not only by the Secretary of State for Energy and Climate Change, but by the deputy leader of the coalition and the Prime Minister himself. Have you had a request, Mr Speaker, for any Government spokesman or the Prime Minister to come and clarify whether the review will take place now or in 2012-13, so that we can end the uncertainty that is jeopardising thousands upon thousands of jobs?

Mr Speaker: The short answer to the question is that sadly I have not. I am grateful to the hon. Gentleman for giving me notice of his intention to raise this matter; however, it does not constitute a point of order on which I can rule. There will be—and I think he knows there will be—other opportunities to pursue the matter in other ways, and I have a suspicion that he will use them.

Bill Esterson (Sefton Central) (Lab): On a point of order, Mr Speaker. Yesterday, I asked the Foreign Secretary to investigate the circumstances in which my constituent, Jennifer Currie, and her children had left Libya, and the fact that my caseworker had had to make many of the arrangements for them to do so. The Foreign Secretary stated that the Government did not accept my description of the lack of support received from the Foreign Office. The family has confirmed to me today that the Foreign Office initially declined to help Jennifer and her children, and then told the family to book and pay for their flights. Mr Speaker, what advice can you give to my constituent and me to enable us to ensure that the Foreign Secretary justifies his claim about what happened in Libya, given the different versions of events and the real danger that she and her children faced?

Mr Speaker: I am grateful to the hon. Gentleman for giving me notice of his intention to raise this matter. Naturally, I recall the exchange that took place in the Chamber between him and the Minister yesterday. What he has said today will have been heard, or will be heard, by those on the Treasury Bench and by the Ministers directly responsible for this matter, but it is not a matter upon which I can rule. There is an argument here, and the hon. Gentleman has put his view of the events, and his verdict on the sequence of events, very clearly on the record. He can approach the Table Office and pursue the matter through questioning, if he wishes, or he can write to the Minister further to pursue the matter on behalf of his constituents, if he chooses.

Mr Ian Davidson (Glasgow South West) (Lab/Co-op): On a point of order, Mr Speaker. I would like to apologise for misleading the House yesterday, make a

[Mr Ian Davidson]

correction and clarify a position. During our debate on the Scotland Bill yesterday, I outlined the importance of having overnight counting, as many of us were exceedingly excited as we watched the result of the Barnsley by-election come in on Friday morning and found that the Liberals had not retained second place. We learned that they had not come third or fourth, and that they had in fact come sixth. My error was to say that the only reason the Liberals had come sixth was that the Scottish nationalists had not stood, and that, had they done so, the Liberals would have come seventh. In fact, my error was in not correctly pointing out that, had the Welsh nationalists or indeed the Democratic Unionist party stood, the Liberals might very well have come ninth. I was going to make the same point about the Social Democratic and Labour party, but that would be taking it too far.

Mr Speaker: I am grateful to the hon. Gentleman, to whom I always listen with interest and respect. However, I have to say that that effort, though a nice try, was some hundreds of miles away from being a point of order. I think that we will leave it there.

Charitable Healthcare Providers (Value Added Tax Relief)

Motion for leave to introduce a Bill (Standing Order No. 23)

3.38 pm

Nic Dakin (Scunthorpe) (Lab): I beg to move,

That leave be given to bring in a Bill to provide for charitable healthcare providers taking on new responsibilities from the National Health Service to be able to recover value added tax on the same non-business supplies as the NHS in respect of those responsibilities; and for connected purposes.

I am delighted to have secured strong cross-party support for this Bill. This demonstrates how important the issue is, and how serious the House is about the crucial role that charities play, alongside the public and private sectors, in our society. Estimates suggest that the total spend by primary care trusts on outsourcing to third-party service providers is approximately £80 billion per annum. A significant proportion of those services will be delivered by the charity sector, and that proportion will increase in the coming years as the big society and public service reform agendas increase.

Health care charities such as hospices have a strong history of building relations with local communities and the Government in order to provide care for people who are nearing the end of their lives. This applies to independent hospices and larger hospice providers such as Marie Curie Cancer Care and Sue Ryder Care.

At this point, I must commend the work of Lindsey Lodge, the independent hospice that serves local people in the Scunthorpe constituency, which I am proud to represent. It provides a wide range of services for people living with life-limiting conditions such as cancer, multiple sclerosis and motor neurone disease. More than 300 volunteers from the local community donate their time and skills to support the work of the hospice and many more make voluntary financial contributions.

It will cost Lindsey Lodge hospice almost £2 million to provide its services this year. Two thirds will come directly from the local community through fundraising, legacies and donations. This funding picture is typical of the majority of hospices, with varying proportions of voluntary funds required. Charities such as the Lindsey Lodge hospice do not operate within a vacuum, but within their community context in partnership with local government, health and other agencies. Those partnerships are what create the climate for success. On average, adult charitable hospices receive 32% in statutory funding and they provide 80% of palliative in-patient beds in the UK. The passage of this Bill would show that the Government are serious about recognising the importance of such charitable services.

In a recent written question, the hon. Member for Keighley (Kris Hopkins) drew attention to the fact that, unlike the NHS or his local council, Manorlands, the Sue Ryder hospice in his constituency, cannot reclaim the VAT it has paid on non-business supplies. He rightly called on the Prime Minister to create a level playing field for health care charities. Under current legislation, the NHS is able to recover value added tax on non-business supplies, yet the charity sector is not.

In the rhetoric of the big society, the Government appear optimistic, encouraging the voluntary and community sector to take a larger role in society through the delivery of public services. This offers opportunity for new types of service delivery, building on the best that already exists, but we must not expect charitable agencies to do this for free or effectively to subsidise the Government from charitable donations. Figures produced by Sue Ryder Care suggest that for every £10 million spent by the NHS on outsourcing to the third sector, the additional cost burden will be in the region of £400,000. That burden will need to be absorbed by the charity.

I am sure all hon. Members will join me in applauding the contribution charities make to their communities. Under current rules, if services are transferred from the NHS to charities, their VAT bills will increase. This provides a VAT dividend to the Treasury from charities at the point of transfer, which is surely not fair.

Currently, when services are transferred from the NHS into the charitable sector, allowances for irrecoverable VAT are not made in the contract. This finds the charity in the perverse situation of having to cover VAT costs with charitable donations. Any efficiency savings finance the VAT gap first before benefiting patients and their local community. A recent example can be seen in the transfer of services from an NHS hospice to the charity, Sue Ryder, in West Berkshire. Services are due to begin transferring to the charity on 1 April.

The transfer will result in streamlined palliative and end-of-life care services for all those living in the area. The hospice will work alongside Sue Ryder's existing hospice to provide integrated services. Figures produced for Sue Ryder show that the transfer will add 4% to the cost of delivering the services as a result of the different VAT recovery for the NHS and charities.

Sue Ryder projects efficiency savings of £0.3 million in the first year, yet these efficiencies will not all be invested in improvements in service delivery. Half the savings will be swallowed up by the Treasury as a result of the new VAT burden placed on the charity, which did not apply to the NHS as a provider. If efficiency savings are not realised, charitable funds will need to be used to plug the gap.

As the economy stagnates or contracts and consumer confidence falls, there is a very real danger that charities will be hit by decreasing donations and cuts in local government and national Government grants. Now is not the time to punish those forward-thinking charities that are willing to expand their services into new, innovative areas, formerly delivered by the NHS.

It is, of course, unrealistic to ask the Treasury to write a blank cheque and allow all charities providing NHS services to recover VAT, but it is realistic to look forward and level the future playing field. The proposals in the Bill will not cost the Government any more than the costs that are currently in the system. If the Government are serious about this aspect of big society thinking, they should welcome these proposals, supported as they are by Members in all parts of the House. Transfers of services to the charitable sector should not bring a tax dividend to the Treasury, but should bring an innovation and investment dividend to patients and their local communities.

The Government should stop the problem from worsening by allowing charities to which services are transferred in future to recover the same VAT on non-business supplies as the NHS. The proposals in the Bill are fiscally neutral. On Shrove Tuesday of all days, they represent an opportunity for the Government to give something up for the wider good and not just for Lent. In his *Daily Telegraph* article on 20 February, the Prime Minister said that the Government

> "will still have a crucial role to play"

in

> "ensuring fair funding".

I am therefore sure that he will want to examine this funding anomaly.

The way in which the Government should address the anomaly is to amend section 41 of the Value Added Tax Act 1994 to put charities and the NHS on a level playing field, or to consider a form of compensation scheme for those taking on NHS services. That would create a level playing field in VAT between charities and the NHS. As things stand, the Treasury is set to make money from charities that choose to take on public services. Sue Ryder has called that

> "an unintended consequence of the 'big society' and public service reform agendas".

At present, I am inclined to agree. It is effectively a tax on the transfer of services from the NHS to the charitable sector. I urge the Government to address this inconsistency and thereby avoid the risk that charities and the public will start to view it more cynically.

Question put and agreed to.

Ordered,

That Nic Dakin, Stuart Andrew, Mr Kevin Barron, Chris Evans, Julie Hilling, Kris Hopkins, Martin Horwood, Greg Mulholland, Paul Murphy, Andrew Percy, Bob Russell and Jim Shannon present the Bill.

Nick Dakin accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 17 June and to be printed (Bill 159).

European Union Bill

[Relevant documents: Tenth Report from the European Scrutiny Committee, The EU Bill and Parliamentary sovereignty, HC 633, and the Government response, First Special Report, HC 723; Fifteenth Report from the European Scrutiny Committee, The EU Bill: Restrictions on Treaties and Decisions relating to the EU, HC 682, and the Government response, Second Special Report, HC 852.]

Consideration of Bill, as amended in the Committee

Mr Speaker: I had intended to call the hon. Member for Birmingham, Edgbaston (Ms Stuart) to move the new clause, but it can be moved by another of its supporters. I call Mr James Clappison.

New Clause 1

PROVISION OF DOCUMENTATION UNDER PART 1

'(1) A statement laid before Parliament under section 5 of this Act shall be accompanied with all relevant documentation on the treaty or decision concerned, including all amendments sponsored by Ministers and other member states during negotiation of the treaty or decision.

(2) All decisions which as a result of any of sections 6 to 10 of this Act require approval by referendum or Act or resolution shall be accompanied with all relevant documentation on the decision concerned, including all amendments sponsored by Ministers and other member states during negotiation of the decision.'.—*(Mr Clappison.)*

Brought up, and read the First time.

3.48 pm

Mr James Clappison (Hertsmere) (Con): I beg to move, That the clause be read a Second time. As another Member who willingly put his name to the new clause, I am delighted to do so.

Members who are familiar with the Second Reading debate and the proceedings in Committee will know that clause 5 is about a statement that must be laid before the House within two months of the conclusion of any of the treaty changes covered by the Bill, as part of the process whereby a referendum takes place. It covers treaty changes in both the ordinary revision procedure—the one with which we are all familiar, involving a convention followed by the full panoply of treaty change and agreement between the nations—and the simplified revision procedure that was introduced by article 48(6) of the treaty of Lisbon, which makes it much easier for the parties to the European Union to bring about treaty change. Under that article, all they need to do is reach an agreement within the Council and then put it to the member states, and unanimity is required for that. It is generally regarded as a measure that speeds up treaty change.

New clause 1 would require much more information to be included in the statement, or to be provided with it. When my friend the hon. Member for Birmingham, Edgbaston (Ms Stuart) drafted the new clause, she may well have had in mind what took place during this House's proceedings on the treaty of Lisbon, and I certainly had that in mind when I signed it. The then Government advocated all the measures in the treaty of Lisbon to the House—and to the country—but it was revealed during the debate that at the Convention that led to the drafting of the constitutional treaty which later became the Lisbon treaty, they had opposed a number of key proposals.

Mr William Cash (Stone) (Con): Is my hon. Friend also conscious of the fact that the Conservative party was, for the first time since 1972, united on that issue, and that it voted consistently against every provision that was worth voting against in the Lisbon treaty, yet subsequently accepted it?

Mr Clappison: Yes—and not only that, because my hon. Friend is being characteristically modest, as some of the warnings about the consequences that would flow from the treaty of Lisbon have proved right in the short time that has elapsed since its introduction. I am thinking in particular of the warnings that were given about what I regard as the unfortunate influence of the European External Action Service and the EU's new Foreign Minister, Baroness Ashton, which has not entirely served the interests of this country.

Mr John Redwood (Wokingham) (Con): The new clause is excellent. I like the idea that Ministers would have to report that they tried to get an improvement but they lost. Is it also proposed that some of the arguments should be made available, because it would be much more interesting if we knew how badly they had lost?

Mr Clappison: My right hon. Friend makes an excellent point. Too often decisions are made behind closed doors, certainly in the Council. They are made in a remote and unaccountable way, and members of the public in this country simply do not have the information that they should have to be able to evaluate the decisions taken in their name.

During our debates on the Lisbon treaty, it was striking that time after time we had to remind members of the then Government of what they had said in the Convention about the measures that they were now putting before the House. I cannot remember whether they had opposed the establishment of the EU External Action Service and the EU Foreign Minister—I would not have blamed them if they had—but it emerged on a number of occasions in the debates in the House that Ministers had previously opposed what they were now proposing. That came to light only through the assiduous work of the then Conservative Front-Bench Members, and I pay tribute to them, as well as to colleagues such as my hon. Friend the Member for Stone (Mr Cash) and my right hon. Friend the Member for Wokingham (Mr Redwood).

The new clause would remedy this problem, as the fullest possible information would be placed before the House, with the statement, so we would know exactly what had taken place, and whether the Government really agreed with what was being proposed or whether they had lost the arguments and been outvoted. In short, we would know whether we were being called upon to do something with which our democratically elected Government did not agree.

Martin Horwood (Cheltenham) (LD) *rose—*

Mr Clappison: I give way to the Liberal Democrat Member who, of course, supported the Lisbon treaty on many occasions during its passage through this House.

Martin Horwood: Absolutely—and a referendum on it.

The hon. Gentleman is speaking as if the new clause related to the situation after the negotiations have been completed, but what it actually says is

"during negotiation of the treaty or decision."

I attended a negotiating skills course some years ago, and I was always advised not to give away my negotiating position during the course of the negotiation. Would not the new clause destroy the British Government's negotiating position? Is that its intention?

Mr Clappison: No, because the British Government are representing the British people and the British people should know what is being negotiated on their behalf. This is not a private company trying to make a profit; it is democratically elected Ministers acting on behalf of the people. May I slightly correct the hon. Gentleman? I do not know whether he was in the House at the time, but I certainly recall this, because I was sitting directly behind the Liberal Democrats. That party supported an in/out referendum on the European Union, but it did not support a referendum on the Lisbon treaty itself. I remember that debate taking place. He will correct me if I am wrong, but I recall that although the Liberal Democrats got very agitated about having an in/out referendum, they were not exactly full-hearted in supporting a referendum on the Lisbon treaty.

Martin Horwood *rose*—

Mr Clappison: I will give way again to the hon. Gentleman, who has a very honourable record of supporting further European integration.

Martin Horwood: I will correct the hon. Gentleman, as he is wrong. I voted for both an in/out referendum and a referendum on the Lisbon treaty.

Mr Clappison: I stand corrected. I do not know whether the hon. Gentleman's colleagues voted both for and against an in/out referendum, or whether they voted both for and against having a referendum on the Lisbon treaty. I do remember, because it would be hard to forget this, that one of his colleagues was excluded from the Chamber because he got into such a terrible temper about not being able to have an in/out referendum. I am not sure how many of his colleagues supported the amendment that we dealt with several evenings ago proposing an in/out referendum; the *Hansard* record will doubtless show the number.

The fullest possible information should be available to this House and to the British people so that we know what is really going on. One of the fundamental problems of the European Union is the feeling of disillusionment that people have about its lack of accountability. We do not know what is taking place and being done in our name. The EU is remote and decisions are taken behind closed doors. Some arrangements are entered into beforehand in an entirely private way, with decisions not even being taken at the meetings themselves, but often being taken behind closed doors. We need more information about such matters.

Mr Cash: Even as we speak, a gigantic deal is being done in Europe. It is called the "competitiveness package". It took me an urgent question—thanks to you, Mr Speaker—to elicit the truth about what was going on in European economic governance. What my hon. Friend says is absolutely right: a tradition of deceit lies behind all this, and it goes right across the whole of Europe.

Mr Clappison: I am grateful to my hon. Friend, because he has done the House a service. It was entirely due to him that the contents of the Van Rompuy report, as they affected this country, which they clearly did, were revealed to this House. We look forward to having a fuller debate on those in due course. We want a fuller debate on many other issues, but when a treaty change comes before this House and is the subject of a statement under clause 5 we need to have all the information. We need to have everything out in the open so that we can have a full and well-informed debate.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): By way of explanation, Mr Speaker, I think I have fallen victim to my usual habit of reading newspapers from back to front. I apologise for not having been here at the start of the debate, and I thank the hon. Member for Hertsmere (Mr Clappison) for introducing the new clause.

I need to explain the antecedents of the thinking behind the new clause. When I was a Minister I attended meetings of the Council of Ministers, and I knew that it was perfectly impossible for any national Parliament to find out even whether their Minister was there to vote, let alone whether they had made any particular representations. I am sure that I am not the only Minister—people on both sides of the House must have done this—who performed the most amazing U-turns on policy when doing a Council of Ministers stint. I am talking about little notes along the lines of, "The United Kingdom no longer supports amendment 58"—and that was all that was ever said about the matter. There is nothing wrong with that; we do that in politics. But in this House, if the Government perform a U-turn, someone at some stage has to stand at that Dispatch Box and say, "We've changed our minds." They have to give reasons for doing so, and on occasions those are perfectly acceptable. This is the one thing that is completely missing in our dealings with the European Union.

Post-Lisbon, we have made some advances in the information provided for the European Parliament. Although I welcome those provisions, I would challenge even hon. Members to close their eyes and tell me, hand on heart, that they can name all the MEPs who represent their region. I bet that they could not do that; I could not name them all myself. *[Interruption.]* My right hon. Friend the Member for Rotherham (Mr MacShane) says that he does not even know all the MPs for Birmingham. Fortunately, I could tell him all their names, even in alphabetical order.

4 pm

Greater accountability comes from information being available. If a national Parliament, for whatever reason, chooses not to follow that up, it is perfectly entitled to make that decision. In the limited confines of the Bill, new clause 1 is an attempt to ensure that all the documentation made available to Ministers is also made available to the House.

Mr Redwood: The hon. Lady is absolutely right. I can remember visiting EU Councils as a Minister and discovering that the Council of Ministers often met as a

[Mr John Redwood]

legislature. It was about to enact extremely important laws affecting all our countries, and all that the others and I said was entirely secret and did not have to be shared with the public. That is an absolute disgrace: we need much more transparency.

Ms Stuart: The right hon. Gentleman is absolutely right. I negotiated the opt-out for the junior doctors working time directive back in 1999, and in a sense we knew on the negotiating basis all the problems that would happen in the NHS that the UK Government saw coming. We also knew that the directive would not actually hit us until about 2008-09. Now it is here, and everyone here is entitled to say, "We didn't see it coming." In fact, on one level we did see it coming.

It is also important for the House to consider the fact that, during the discussions on the Convention on the Future of Europe, I was in the very unusual position of being a negotiating partner at Government level, and also representing the House. Therefore, provided that I used a legal adviser from the House, I could be given the legal advice that was given to the previous Administration.

We should consider the nature and length of debates in the European Union. I deliberately chose the working time directive for junior doctors as an example, because it started in 1992 and started to have legislative impact on this country 10 years later, and only now are we beginning to find out its full effect.

We have now moved from Conservative to Labour to Conservative, and within our Government machinery—[HON. MEMBERS: "Coalition."] It is okay—the Liberal Democrats came sixth in Barnsley, so there is a ray of hope. Given the veil that falls between one Administration and the next, which hides the accumulated knowledge that could allow parliamentary scrutiny, there must be a mechanism that transcends individual Administrations, which would give the House access to the information that has been given to Ministers. Although new clause 1 is limited, it is nevertheless an important wedge representing that principle.

Charlie Elphicke (Dover) (Con): I understand that the hon. Lady is suggesting not necessarily publishing everything for everyone on this country's negotiating position, but perhaps listening to Parliament. Am I right in thinking that a similar system exists in Denmark?

Ms Stuart: Yes and no. I would caution against using the Danish principle, because it mandates Ministers bindingly. No one needs to talk to them when they are sitting round the negotiating table in Brussels, because they know what they will say. They do a head count and say, "The Danes say x." The hon. Gentleman is right to refer to not publishing all the information, because too much information is also a weapon: people can be drowned in information, and they cannot see the wood for the trees.

The advice given to Ministers should be made public to Parliament, so that Parliament can decide whether it wishes to pursue something. More importantly, that would allow information to move from one Administration to the next, and Parliament could develop the collective memory of responsibility and decision making that is essential in our dealings with the European Union.

Neil Carmichael (Stroud) (Con): We are having an important debate, and the first thing to do is find our national interest in the context of that debate. Otherwise, we will head into treacherous waters. For me, the national interest is to ensure that the Government are able to promote our interests in the best possible way in dealings with our EU partners. Anything less would risk undermining our prospects of promoting the best solutions for Britain in the EU.

I understand some of the reasons why the new clause has been introduced. For example, I see why Members of the European Parliament might be interested in hearing more about the position of the British Government—under the co-determination procedure, they have an interest in knowing more—but we are not Members of the European Parliament; we are Members of this Parliament, and we should be concerned about the accountability of the Government to this Parliament. We have no real interest in giving information to a Parliament that happens to have representation from all the nation states that we would be negotiating with. That is a bad reason for promoting the new clause, and if it was to be further advanced in the House, I would repeat that argument.

There might well be another reason, and I have thought about this myself. The previous speaker, the hon. Member for—

Ms Gisela Stuart: Birmingham, Edgbaston.

Neil Carmichael: Excellent, a beautiful place. The hon. Lady might well think that the transparency of the Commission is important—indeed, the transparency of the Council of Ministers—and I have certainly thought about this long and hard. I understand why people would wish there to be more transparency in both those organisations. After all, they make decisions that are important to us, but the new clause tackles the issue in the wrong way because it would undermine the Government's capacity to negotiate. That is what we have to underline.

When the Government enter negotiations with other nation states about the future of Europe, they must do so with the knowledge that they may or may not enter into alliances with various Governments, and that those alliances may change during the negotiations.

Mr Redwood: I think my hon. Friend is misreading the new clause. It would mean that, when all the negotiation was done and we knew the final outcome, we would also know whether our Ministers had won or lost. What is wrong with that? How dare he be so undemocratic?

Neil Carmichael: Because it is important to bear in mind the next negotiation and not think only about the one we have just had. That is obvious, because alliances can fluctuate and relationships are important. I do not think my right hon. Friend would say the same thing about any negotiation on a treaty outside Europe, and certainly not, for example, about NATO.

Ms Gisela Stuart: The hon. Gentleman is fundamentally misunderstanding the nature of the negotiations. One thing that British Ministers are famous for is the fact that, by the time they go into negotiations, they have reached agreement across Whitehall. Quite often that does not allow us to play a poker game. There is a formed body of opinion that represents the British view, and, after the negotiations, we, as a House, have the right to know.

Neil Carmichael: I would prefer to take the line that it is much more important to consider the outcome. Certainly, the House should be testing the Minister on that outcome and should be able to hold that Minister fully to account for it, but explaining how we got there would be a dangerous route to take.

Mr Brian Binley (Northampton South) (Con): Will my hon. Friend give way? Does he—

Neil Carmichael: Yes, incidentally, I will give way.

Mr Binley: I am most grateful. I thought you would, which I why I started to stand, and I—

Mr Speaker: Order. I have not given way at all. I just want to help the hon. Gentleman to get it right, and I am sure that he will use the correct parliamentary language.

Mr Binley: I am most grateful for your help and advice again, Mr Speaker. The House is also about the people we represent. If it is right and proper that they should have full knowledge of what their Government are doing, does the argument that my hon. Friend is making not deny them that right too?

Neil Carmichael: I certainly think it is important for people to know how decisions are made, but it is equally important to ensure that we have the quality of decisions that are best for Britain and that we do not box ourselves in for the future. Many of the decisions made in Departments are not necessarily things that the public need to know before those decisions are implemented and discussed in the House.

Mr Peter Bone (Wellingborough) (Con): My hon. Friend is being exceptionally generous in giving way. The idea of keeping those decisions secret is the reverse of what the Prime Minister wants. In his speech of 26 May 2009, the Prime Minister argued strongly for transparency so that people would know how the Government negotiated. Is my hon. Friend opposing the Prime Minister?

Neil Carmichael: Certainly not. The Prime Minister is right to seek transparency wherever it is appropriate and possible. That is a good characteristic of the coalition Government and I welcome it. I can see huge opportunities for more transparency, wherever appropriate. I think the Prime Minister also wants to be sure that his position representing this country or the position of his Ministers representing this country in the Council of Ministers enables them to negotiate, form the appropriate alliances with necessary nation states and deal with matters properly, with the guarantee that trust and understanding are possible. Otherwise we will find that we as a nation state are not respected by our partners. We must be respected on our terms—that is, for promoting our national interest and making sure that what we want to do is achievable.

Chris Heaton-Harris (Daventry) (Con): I understand where my hon. Friend is coming from, and equally, I understand the new clause. The reality is that after any Council meeting, 26 other countries run to their national press to say exactly what the British negotiating position was and what we might have given away. Within about 24 hours, anybody out there can see most of the negotiations that have taken place. I am sure the hon. Member for Birmingham, Edgbaston (Ms Stuart) will understand this point. If we are going for transparency—if the detail of the negotiations is going to be out there anyway—surely it would be easier for the British Government to come back, lay their cards on the table and say how they played their hand.

Neil Carmichael: The role of Ministers in interpreting each other's decisions and talking to the press later is different from formally disclosing key positions. I do not spend a huge amount of time reading the newspapers, certainly not those produced by Mr Murdoch. I would much prefer the House to test Ministers on the outcomes and make sure that the integrity of the decisions was protected and that the capacity of our Ministers to act independently in the interests of this nation state was upheld. That is why the clause is not helpful.

I understand the motives, as I said at the beginning of my remarks. I can see why people want to have more information about the European Parliament and more transparency in relation to the Commission. It is not a clear structure at the best of times. I can see why more transparency should be required of the Council of Ministers, but the clause is not the right mechanism. The critical issue, as we discussed last time, is to make sure that this House can test Ministers thoroughly and properly at each and every opportunity.

Stephen Phillips (Sleaford and North Hykeham) (Con): I am grateful to my hon. Friend for giving way; he has done so with charm and good grace and been very generous indeed. He has said a number of times how important it is for the House to hold Ministers to account. How can the House hold Ministers to account if Members do not understand precisely what has been discussed, which then comes before the House? He undermines his own argument, does he not?

Neil Carmichael: No, I do not. The real way of holding Ministers to account is to examine the quality of the decision that has been made and the impact that that decision will have on this country. It would be far better to look at the decision and its implications and understand the reasons for it than to worry too much about why it was made and by whom. That is the key. Too often in this country, we tend to examine the entrails rather than the direction of travel and the implications of the decision that we are supposed to be implementing.

Ms Gisela Stuart: I have one concrete example for the hon. Gentleman: the way we deal with the art market and the extra tax on it. Britain currently has an opt-out, but it is coming up for renewal, which could completely undermine Christie's and the art market in this country. At what level in this House does he think he will debate the ministerial decision on that?

4.15 pm

Neil Carmichael: You make a very good point. I am sure that the Minister, if he is involved in that negotiation, has taken heed of what you have said.

Mr Speaker: Order. I am always delighted to be told that I have made a good point when I have done so, and even when I have not, but in this case I have not. The hon. Lady might have done.

Neil Carmichael: Many apologies, Mr Speaker—it is a long time since I have had quite so many interventions. The key thing here is the quality of the decision. If a Minister came along and tried to defend a decision that this House was unhappy about, this House should say so. That is the right approach.

Michael Connarty (Linlithgow and East Falkirk) (Lab): Will the hon. Gentleman give way?

Neil Carmichael: I will, but it is the last intervention I will take.

Michael Connarty: May I suggest a much simpler piece of logic to explain why the new clause would probably not be helpful? If the hon. Gentleman has ever attended a European Committee, whose members are supplied with a large volume of documentation that they are supposed to read before debating the issue and taking a position when voting, he will realise that most do not read it. The more information that is supplied on European matters, the more paper that is provided, which will not be read.

Neil Carmichael: That is a really good point to end on. The hon. Member for—

Michael Connarty: Linlithgow and East Falkirk.

Neil Carmichael: Right. *[Laughter.]* That is longer than Stroud.

That is an important point to end on, because I do not think that everyone does read everything they should, and we have come across that in the past. The European Scrutiny Committee is under the excellent chairmanship of my hon. Friend the Member for— [HON MEMBERS: "Stone."]—for Stone (Mr Cash), but one of the things I noted before becoming a Member was that scrutiny of European measures, if carried out at all, was not thorough. I have done some research and found that decisions have literally been nodded through, which is characteristic of these kinds of issues. It is far better for this House to consider the outcomes seriously, because it is the outcomes that matter. That has always been the case in decision making. Sometimes the process that we use needs to be scrutinised because the outcome is not so good, and clearly we might want to test that.

We should never undermine the capacity of a British Minister to represent our interests and make adjustments to his or her position while in negotiations with other nation states. I repeat that if we were having this discussion about the United Nations or NATO, for example, I do not think we would be talking in these terms, because we understand the value of empowering Ministers to make decisions on our behalf and report back with outcomes that are to our liking.

Mr Denis MacShane (Rotherham) (Lab): I follow very much in the footsteps of the hon. Member for Stroud (Neil Carmichael) by highlighting two very worrying developments in our discussions in this House on Europe that have taken place since the coalition was formed: the abolition of the twice-yearly debates on Europe and the decision of the Foreign Affairs Committee no longer to go to the country holding the EU presidency to examine its plans.

Mr Bone: Will the right hon. Gentleman give way?

Mr MacShane: I am such a fan of the hon. Gentleman's work on human trafficking that I feel I must give way, but I will try not to take many interventions, for obvious reasons.

Mr Bone: The Backbench Business Committee received a powerful bid today for a debate about the European Union and fish discards, and we are taking it forward, so I think that there will be a debate in the House soon about Europe.

Mr MacShane: I am grateful that the poor fish thrown into the sea will now have their flippers flipped in the House of Commons.

I want our Government and our House regularly to debate Europe, but the plain fact is that it is the decision of this Government—this coalition—not so to do. The Foreign Affairs Committee, with its coalition majority, is also abolishing its regular trip to the European Union nation that holds the presidency.

Mr Redwood: Has the right hon. Gentleman noticed that we are debating Europe all day today, and that we have had quite a lot of days on this Bill?

Mr MacShane: Yes, and I well remember the right hon. Gentleman in the even longer debates—going through the night—on the treaty of Amsterdam saying that signing it would mean the abolition of Britain. When there is a new Bill, we have debates, and we have had many debates and some good discussions on this one.

Chris Heaton-Harris: Will the right hon. Gentleman give way?

Mr MacShane: Can I make just a wee bit of progress? *[Interruption.]* Well, I will give way to one of my favourite ex-MEPs. How can I resist?

Chris Heaton-Harris: I am not sure whether I should take that as a compliment. Has the right hon. Gentleman had a chance to read the written ministerial statement about this subject that was issued during our previous five days of debate? It included what, in coalition terms, would probably be deemed a full and comprehensive offer to the House about how we might scrutinise justice and home affairs matters. We should examine that offer in much closer detail today, and perhaps we will later on.

Mr MacShane: I am very grateful to the hon. Gentleman, because he brings to the House considerable knowledge of how the European Parliament does its business. That is exactly the way in which the European Parliament carries out its scrutiny. Perhaps we should learn from him; perhaps he and I should set up a small committee to go to Strasbourg —for him to return there—to see what we might learn.

In essence, the hon. Member for Stroud is quite right: this is the WikiLeaks amendment. It would abolish the need for WikiLeaks, because the process of Government decision-making would be published. I would love to see that for something infinitely more important to my constituents—the thinking, advice and documents that have led to the promulgation of the NHS Bill or, in two or three weeks' time, that lead to the Budget. I expect, however, that I would find very little support on the Government side of the House and absolutely none from the Opposition Front Bencher waiting for his turn to speak for the idea that we do government better if we allow Mr Julian Assange to publish every document and every communication that goes into a Minister's box.

I can confirm exactly the point that my hon. Friend the Member for Birmingham, Edgbaston (Ms Stuart) made about how negotiations can and do take place. I recall once trying to protect the steelworkers of Britain from a proposal, which the then Labour Government supported, to allow the import of steel—a derogation of the then EU trade rules—from a dodgy supplier in Egypt which I knew to be linked to the army and was, in my view, a wholly corrupt organisation. I could not quite work out why we were so keen to allow the deal to go through, which would have damaged steelworkers' jobs and production in this country and, if the steel were re-exported, those in the rest of Europe, too.

I could not, however, convince any civil servants. At one stage, I had 27 of them, including two knights of the realm, grouped around me, telling me, "Minister, you have to give way." I put down my little foot and said, "No, I am elected. That is what I am paid to do." Then, they went out and got the Secretary of State for Business and Industry to phone me, and at that stage either I resigned on the spot or accepted a superior order.

Mr Bone: Did the hon. Gentleman do the honourable thing and resign?

Mr MacShane: No, I did not resign, simply because I work in a team. When the hon. Gentleman graces the Front Bench, as I hope and I am sure he soon will, he will have to learn that there is something called teamwork, and that until he becomes Prime Minister he will take rather than give orders.

I am not sure that it would have been any particular help to have published all my animadversions immediately afterwards, although I told my steelworker community friends privately what had happened. Frankly, one cannot do business in that way. I am not even sure whether, constitutionally or legally, suggestions made before a decision is taken can then go fully into the public domain if they belong to other people. I think we may find, legally, that there are certain rules on what is the property of other states. We do not publish every communication with the United States, France, or any country, for good and sensible international legal reasons.

Jacob Rees-Mogg (North East Somerset) (Con): The process in Europe is legislative. When this House legislates, the debates are published, regardless of the ultimate decision, so that the British people know how the debate has been formed in the legislature. As the Commission, Council and Parliament of Europe are legislatures, the information should likewise be public.

Mr MacShane: We can enter into a political science or constitutional debate on the nature of decision making in the EU—which, I remind right hon. and hon. Members, spends only 1% of Europe's gross national income—but the plain fact is that the Commissioners are appointed and it is the Council of Ministers that takes decisions, as mandated by its member countries. It is no more a legislature than it is a legislative process when one goes to negotiate a treaty on the law of the sea or on new environmental rules.

Mr Wayne David (Caerphilly) (Lab): Will my right hon. Friend give way?

Mr MacShane: Of course I give way to my hon. Friend on the Front Bench.

Mr David: It is worthy of note that when the European Parliament is engaged in the process of co-decision, it publishes on its website all its position papers in between negotiations. That is a model, in many ways, of how democracy in practice should operate.

Mr MacShane: There is a curious alliance between two distinguished former Members of the European Parliament—my hon. Friend and the hon. Member for Daventry (Chris Heaton-Harris)—in saying that perhaps this House can learn from the European Parliament. Other right hon. and hon. Members might care to look at that.

The European Union will be taking very big decisions on Friday, when there are two special meetings of the Council, the first of which—

Mr Cash: The right hon. Gentleman, in some dispute with my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg), suggested that decisions taken by the Council of Ministers were not legislative acts. Can he think of anything that is more of a legislative act than when, by a majority vote, the decision that is taken is binding upon this House without our having any opportunity to intervene?

Mr MacShane: Yes. In my constituency, which is a very strong manufacturing one, the acts of the World Trade Organisation have far more impact, and we do not consider the WTO to be a legislative body.

On Friday, there will be two highly important meetings of the European Council, the first of which will discuss Libya. I am a supporter of much of the robust line that the Prime Minister has taken since he came back from his trip to the middle east. It will be interesting to see whether the Government publish all the details of the propositions that they are putting up for that debate and decision, or whether they offer a referendum lock to the people of Britain on any future military intervention in Libya, as proposed in certain other areas under the Bill.

Once that meeting is over—I sincerely wish the Prime Minister and his team well; I hope that the whole House does, because Libya will continue to occupy our minds and worries for many months ahead—the British Prime Minister will be asked to leave the room. That is because the next set of decisions that will be taken, on economic governance and the euro, will exclude Britain, even though they will impact on us, as the Council will

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discuss how to react to the new Irish Government's position in wanting a serious rewriting of the agreement that the previous Government had reached. It may discuss the European Parliament's call for a ban on naked short selling, which the German Government have already introduced in Germany and which is very unpopular in the City. Britain will not even be there, because it is excluded from that part of the Council. The notion that we will learn about decisions made in Europe if Britain publishes its documents is nonsense, because unless all 26 other members states do the same, we are left in ignorance on the ebb and flow of discussions.

Mr Cash *rose—*

Mr MacShane: If I may, I will continue, because I am sure that the hon. Gentleman will have a good chance to speak shortly.

4.30 pm

Having taken part in many European decisions and negotiations, including on treaties, I say to the House that they are precisely that—negotiations. Perhaps because British parliamentarians are equipped with a better way with words than some of our more dramatically rigidified colleagues, we often find words that help the Council come to a better decision—often helped, it must be said, by our excellent officials. Frankly, the notion that those notes, scribbles and whispers can somehow all be published is bordering on fantasy, as the hon. Member for Stroud rightly said.

Charlie Elphicke: The right hon. Gentleman is giving an interesting depiction of matters in the Council of Ministers. Will he tell the House whether Governments such as the UK Government formally table amendments for discussion, or whether the process is more informal, with things written down at the end?

Mr MacShane: It is a mixture of both. First, one listens to the positions of all 27 member states, then one says things like, "Look, that's not going to fly for us. We suggest you drop it. Here are our ideas." Proposals go backwards and forwards between the Council secretariat and the Commission secretariat, and they come back here for discussion, as my hon. Friend the Member for Birmingham, Edgbaston (Ms Stuart) rightly said. Whitehall has a very effective co-ordination operation. As a result, the finest civil servants in the land meet very early every morning—sensibly that is usually done without any gabby politicians present—and over a large English breakfast, on the eighth floor of some Hilton or Hyatt in Brussels, they hammer out a position and work out where every other country will be to maximise what Britain wants. Very often, we are the demandeurs who want to achieve a policy change in the European Union which requires skilled diplomatic negotiation. I say respectfully that the notion that all that can be minuted and published is not realistic.

Mr Cash: On a point of information, I just wanted to put it to the right hon. Gentleman that the European conclusions of 4 February, to which he referred in the context of the eurozone and the other member states, specifically state:

> "Non-euro members will be invited to participate in the coordination."

They also state that it will be guaranteed that

> "the Heads of State or government of the interested non-euro area Member States are duly involved in the process."

I therefore do not think he was quite right to suggest that we would not be involved, because the conclusions state specifically that we will be. However, the whole system is completely crazy.

Mr MacShane: We will see what happens on Friday. I am concerned, as all hon. Members ought to be, that because we are not in the euro—for perfectly good reasons—Britain is not as fully involved as the other deciders in many areas of decision making. We will leave that to be revealed in Friday's meeting and future discussions.

I am very attracted to the point made by my hon. Friend the Member for Linlithgow and East Falkirk (Michael Connarty). We can now, in the House of Commons, announce the new Connarty law: there is a precise ratio whereby the more paper provided on any European decision, the less real discussion and debate there is thereon. I hope that he will agree that that new Connarty law should be enshrined as an official part of how we do business in Europe.

I remember that for the constitutional Convention, on which my hon. Friend the Member for Birmingham, Edgbaston valiantly represented the House of Commons, the then Foreign Secretary and myself set up a special Select Committee and published everything. We had regular meetings for the sake of accountability, but not a single Opposition Front Bencher ever came to them and they were often inquorate. The hon. Member for Stone (Mr Cash) was valiantly present at every meeting, but his party leadership was absent. Again, that reflects the Connarty law—the more opportunity and information right hon. and hon. Members are given on Europe, the less inclined they are to take it up and debate it.

Michael Connarty: I think that what I said was that the more paperwork that is provided, the less it is read. Information can and should be given, and Ministers do not give it often enough from the Dispatch Box or in evidence. They try to hide information. It is paperwork that frightens people, not information.

Mr MacShane: I am very happy to have that minor revision to the Connarty law—the more paper people are given on the European Union, the less it is read, debated and discussed.

Michael Connarty *indicated assent.*

Mr MacShane: Good, we have now established that once and for all.

Stephen Phillips: The right hon. Gentleman's argument seems to illustrate what is wrong with the new clause, which is that there is no definition of "relevant". It is therefore entirely unclear whether vast volumes of documentation would be produced were it to form part of the Bill. That is my real objection to the new clause. Does he agree, and is that an aspect of the Connarty conjecture, as I shall call it—or perhaps the Connarty-MacShane law, as it now turns out to be?

Mr MacShane: Yes, "relevant" is a difficult adjective to define. There is an even more difficult adjective in the Bill, which states that only a matter that the Minister judges to involve "significant" sharing of sovereignty should be brought back to the House for debate and a possible referendum. I put it to Members that no British Government or Minister would sign a treaty that they would then bring back to the House of Commons and offer for referendum. It would be a dereliction of duty. I have every confidence in the excellent occupant of the post of Minister for Europe, and his duty is to negotiate the best for Britain. If a treaty is not good enough for Britain, he should not sign it. We should effectively veto it there and then rather than have the nonsense and rigmarole in the Bill, whereby a treaty would be brought back to the House, we would have endless debate about what was and was not significant, and then it would be put to a referendum.

Charlie Elphicke: Will the right hon. Gentleman give way?

Mr MacShane: Of course, but this is the last intervention that I will take.

Charlie Elphicke: I thank the right hon. Gentleman, who has been extraordinarily generous in taking interventions.

I raised with the hon. Member for Birmingham, Edgbaston (Ms Stuart) the situation in Denmark, and she said, "Their negotiating position was known. We knew what they were doing." Is not a potential concern about the new clause the fact that our negotiating position could be known? Does it harm Denmark in practice that its position is known?

Mr MacShane: The Danish Parliament is very different. The last time there was a majority Government in Denmark was 1909. Actually, perhaps that will not be such an unusual thing even for our own legislature in the years to come—let us wait and see how this century unfolds, especially if the people are so foolish as to adopt that ludicrous alternative vote nonsense. [HON. MEMBERS: "Hear, hear!"] It is so easy to get that reaction.

The hon. Gentleman puts his finger on a good question: do we, as a House, take the European Union seriously enough? Do we have the mechanisms and structures to involve ourselves fully in EU debates and decision making? The Danish Parliament has an all-party Committee—although we should remember that the Danish Government are always a coalition—to which Ministers must report, and it is a much smaller operation. I would like this House to set up permanent Standing Committees to survey different areas of EU policy and legislation. Our Select Committees could have permanent Sub-Committees to track EU decisions that would otherwise be off the rota. Those Sub-Committees could travel around Europe, and not necessarily just to Strasbourg and Brussels—I keep insisting that decisions on Europe are taken in Rome, Paris, Warsaw and elsewhere, and not comprehensively and uniquely in the two European Parliament buildings.

I should like us to debate Council meetings after they have taken place rather than before—I made my maiden speech in a pre-Council debate and have taken part in many more.

Laura Sandys (South Thanet) (Con): To take up the point made by my hon. Friend the Member for Dover (Charlie Elphicke), I am a great advocate of transparency, which is crucial. The problem is that the Bill proposes unilateral transparency. We are not in the business of declaring that we are for unilateral disarmament before negotiations. Will the Minister ensure that although we need to make progress on transparency, we need to do so across Europe, and not just in respect of our negotiating team, which might feel hampered in making the key decisions that matter so much to my constituents?

Mr MacShane: The hon. Lady makes a fair point. Aneurin Bevan famously said apropos of unilateral nuclear disarmament that we should not send a Foreign Secretary naked into the conference chamber. Now and then at the more tedious European Council meetings, someone coming in naked might have cheered everyone up, but she is right to insist that Britain cannot unilaterally reveal itself in its wondrous glory, naked to the rest of the world, while 26 other members are smuttily enjoying the sight while keeping their own crown jewels well and truly hidden.

Laura Sandys: The hon. Gentleman is perhaps taking the analogy a bit too far.

Mr MacShane: I was tempted to do so, but I shall resist.

My frustration, after 17 years in the House, is that we still do not know how to discuss the EU. We are still frightened of going to the national capitals of Europe. Much of the information that the Bill calls for can be found if hon. Members are prepared to take the time to meet opposite numbers of all parties—the European debaters and deciders in the Bundestag, the Assemblée Nationale or wherever. Hon. Members could also easily find things out from civil servants in Brussels. Most of the information is available if they are prepared to take the time to find it.

Our own negotiating functionaries, to whose extraordinary qualities I pay tribute, would be quite happy to discuss with Committees of this House what they do, but we have reduced European matters to adversarial, in-or-out, horrors-of-Brussels debates and all the drivel that one can read in the *Daily Mail* and similar papers, instead of accepting that we are in the EU and, as the Prime Minister has made very clear, that we are not leaving. The EU will come forward with new proposals, some of which will be tricky and some of which we will advance, and it would be much better if we could have a mature dialogue with other national parliamentarians. There are 9,700 national parliamentarians and 700 MEPs. We overreact to what the latter say, and ignore the need to connect to the national Parliaments and parliamentarians of Europe to debate decisions.

That would mean a revolution in how we do business. Frankly, the Labour Government failed miserably in improving the quality of oversight and debate on EU decision making. I could publish some of the papers I wrote—if they are not locked away under some 30-year rule—to call for some of the measures that we are discussing. I wish the Minister and his team well in changing how we do EU business. The new clause is not the way forward, and I hope the motion is withdrawn after the debate, but it represents, and is a symptom of, a deep malaise in our nation and of the distrust of

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Europe that many people feel. I understand that fully, but I insist that parliamentarians can put it right. Hurling insults at the EU will never achieve that.

4.45 pm

Mr Richard Shepherd (Aldridge-Brownhills) (Con): The Bill is titled the "European Union Bill", and is a legislative measure by this Parliament in respect of the government of this country. It seems to me that what Denmark does is what Denmark does, and what others do, they do. There is nothing unreasonable in the new clause, other than perhaps in respect of the question reasonably raised about the definition of "relevant". However, I think that everyone in the debate understands the gist of this rather important new clause.

We forget who we are. It was a struggle to get accountable government—that is what this is about: accountable government. It is an odd quirk of the British constitution that we seek accountability at certain levels. Some of us have been here a long time and will remember the triumph of Sir John Major over Maastricht. If I recall correctly, he came back saying that he had won "game, set and match". As was rightly pointed out by several Members, that is the normal formula of most leaders of EU countries, who all protest that they have secured some golden objective, the consequences of which we only find out some years later. I emphasise that the struggle for accountable government was not easily won. In fact, the House used to sit in secret, and it was a criminal offence to reveal the force and arguments that took place. We did not know, therefore, whether the man who protested he was our friend was indeed our friend, and we did not know whether the person pointed out as the enemy was indeed our enemy. To the benefit of this country, that went. An essential ingredient of our constitution, therefore, is the concept of accountability, but we cannot have accountability if we do not know how the Government act and what they say.

Today's most relevant observation—I thought it was important, and I hope that the House thinks so too—was made by my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg). He said that many of the decisions coming from the EU are legislative decisions. Imagine that the House sat in secret discussing legislative decisions, and that none of us could be held to account—it is rather like the coalition agreement, is it not?—for the outcome of the decisions. No one is held accountable. That would end democracy in this country as we understand it. It is a difficult enough task to hold Governments to account: time goes by, and the exigencies and pressures of other issues get rammed in.

We are facing a huge constitutional change that has taken place over the past 30 years, and the decisions now made within the EU structure are profound and affect all our lives. One of the promoters of the new clause, the hon. Member for Birmingham, Edgbaston (Ms Stuart), gave a very good example—the working time directive for junior doctors. It had enormous consequences, and the House would have been better placed to agitate and put pressure on Ministers who proclaimed that they were fighting for Britain all the way and were winning game, set and match. However, the consequences of that decision are now being felt throughout our national health service.

Mr MacShane: Will the hon. Gentleman give way?

Mr Shepherd: I am reluctant to, but as the travails of the right hon. Gentleman are so explicit, I will.

Mr MacShane: The working time decision was taken in 1994. I experienced two constituency cases involving horrible deaths because of overworked doctors who were obliged to do long hours at the weekend who, to put it crudely, made slight mistakes with a zero, so I welcomed that decision. However, those provisions were there from 1994. They could have been put into operation and introduced slowly, but we pretended that that was not going to happen. The decision was made, but nothing was secret.

Mr Shepherd: I have just heard another inaccuracy from the right hon. Gentleman, just as previously he was corrected on a matter of fact regarding the invitation of those not in the eurozone to be present at meetings affecting what are profound matters. I shall therefore take with slight caution some of the arguments that he has advanced.

I should declare an interest: I am a parliamentary vice-chairman of the Campaign for Freedom of Information. What is noticeable is that Europe is notoriously remiss in this area. It is proclaimed that work is being done on freedom of information, yet in many ways the bureaucracy in Europe is one of the most secretive organisations of them all.

Mr Cash: The very paper that led to the urgent question that divulged what was going on with European economic governance was described as a "non-paper". In other words, it was a paper that no one was supposed to know anything about.

Mr Shepherd: This is the record on Europe that most of us will recall; it is not the fantasy of some, who see Europe as an object of almost theological insistence.

Mr MacShane *rose—*

Mr Shepherd: No, I will not give way. The right hon. Gentleman spent nearly 30 minutes repeating the—

Mr MacShane: I was taking interventions.

Mr Shepherd: Indeed, and I took an intervention from the right hon. Gentleman, if he remembers. However, I have listened to the argument, and it is the same argument that he makes most of the time. Although repetition does inform one, it sometimes becomes like a woodpecker on the brain. *[Interruption.]* No, no, I am going to be fair. This is an important new clause. Our constitutional arrangements require Ministers to be accountable to this House, and the new clause would give us a better understanding of what is happening to our future and our constitutional arrangements.

The European Union set up a body—indeed, the hon. Member for Birmingham, Edgbaston sat on it—to bring the citizens of Europe closer to the institutions and nature of the European Union. I have watched, as have all Members of this House, the disengagement of those citizens—certainly in this country, but also in many others, right across Europe—which is becoming very severe indeed. We have only to look at Ireland, which has done everything that was required of it and is now in an horrendous state, so I do not need the right hon. Gentleman, the former Minister for Europe, to say that this is wonderful. It is not; we expect accountable Government.

Angus Robertson (Moray) (SNP): We are quite rightly focusing this debate on the workings of the European Union, but some right hon. and hon. Members seem to be establishing a principle that must surely apply to all international treaty organisations that the UK signs up to, whether on environmental, legislative or defence matters in international law. Is the hon. Gentleman saying that he wants exactly the same transparency in all negotiations in every treaty organisation of which the UK is a part? Surely that would be consistent.

Mr Shepherd: I do not accept the argument, because there are very few international agreements that apply in a directly legislative way in this country. Therefore, on a great range of matters we have to put things through this House; therefore, they are governed by the processes of this House. Normally they are nodded through, that is true. None the less, there is accountability to this House, and there are the Ponsonby rules and all that—if they amount to as much as I would like them to amount to. I would therefore urge the House to support the view that we should know exactly what is happening. I do not want to hear "Game, set and match"; I want to hear where we stand in these matters. I want our Front Bench to be quite candid about this matter, which lies at the heart of this European Union Bill, as amended. I was sent a press release, or whatever it was, to advise me as to the merits of the Bill. Well, I will make my own judgment on that, as will other Members who do not follow the Whip as closely as I do. I hope that we will have enough belief in ourselves—because this applies to us, to the British Government—to introduce a proper process in which Ministers will be candid and bring forth exactly what happens in these meetings.

The words

> "including all amendments sponsored by Ministers and other member states during negotiation of the treaty or decision"

particularly excite me. Clearly that proposal would not apply at the time of the meetings but to afterwards, when we would come to understand the character of those who are making the law.

Mr Clappison: Would it not be very strange indeed if Ministers were to try to keep secret the amendments that they had tabled during such negotiations? Is not this something that people should subsequently know?

Mr Shepherd: I believe so, because there is a matter of the most profound trust involved. When Ministers speak at the Dispatch Box, we trust that they are telling the truth. That is one of the rules and we must hold them to it—*[Interruption.]* No, that is a convention of the House. Ministers have fallen when they have lied at the Dispatch Box.

Mr David: I hear what the hon. Gentleman is saying, and I have some sympathy with the point that he is making, but does he not foresee a legal problem with the publication of the amendments proposed not only by the British Government but by other member states as well?

Mr Shepherd: As I understand it, the European Union purports to be a country now. That change of title happened following Maastricht. We became citizens of the Union, also under Maastricht. Those issues were fiercely fought over. The question of whether Her Majesty the Queen was a citizen of Europe arose on the Front Benches here. We asked those questions and they were debated. The Bill was passed, but it was, as Labour Members will recall, a damned close-run thing—on one amendment in particular.

Mr Cash: The very amendment paper that my hon. Friend is holding in his hand demonstrates the amendments that have been tabled and that are available to everyone who cares to look at them. On the basis that the Council of Ministers is a legislative body, does he not agree that, if we have to receive its legislation and are then allowed to table amendments to it, we should be entitled to see the amendments that have been tabled during the preceding process?

Mr Shepherd: That is the argument, and I am glad that it was so briskly conveyed. On that note, I urge the House to support the new clause.

Michael Connarty: I hope not to delay the House for too long. I am actually a signatory to this new clause, but I hope that the hon. Member for Hertsmere (Mr Clappison) will withdraw it. It was an attempt to ask for a process in which information should be provided to make sense of any proposal under section 4, which is mentioned in clause 5 on statements to the House. The truth is that there is a problem with the understanding of, and interest in, the decisions made in the European Council, which are then enacted by this Parliament and which affect the citizens, businesses and communities that we represent.

The hon. Member for Aldridge-Brownhills (Mr Shepherd) is always keen for us to be more informed, but I am not sure that the new clause would achieve that. Listening to the debate, I have become more and more convinced that more and more documentation does not mean more and more information. We need to look carefully at how the House treats the process involved. There are, I think, six members and one former member of the European Scrutiny Committee here today, and we tend to take a lot of interest in these matters, but there is not the same breadth of understanding, information gathering or discussion of European matters in the generality of the House.

Much can be explained by changes in the structure of how Parliament deals with European issues. We used to have European Standing Committees, with specific designations as A, B and C, specific remits and a fixed membership of 13 each, and they debated every single issue that came from the European Council about which the European Scrutiny Committee was not happy. What happens now is that a randomised group of people chosen by the Committee of Selection turn up now and then and the Committees have no sense of a specific remit. They are still foolishly called A, B and C as if they still have specific remits, but when a Minister brings forward provisions to change our position and bring in new law on the basis of a directive, regulation or other proposal from the European Commission, very few people understand what that Minister is doing.

5 pm

We need to reflect carefully on what will happen when this Bill is enacted and it comes to something as serious as a referendum. Of course, I said originally that I did not believe this provision would ever be used; it is effectively wallpaper, as was said by many learned people from whom we took evidence. If the circumstances for a referendum arise, there will be a lack of information, a lack of understanding and only a very small number of people will debate the issues intensively, which they will do either because they have a fixed political position or on account of their interest and knowledge.

The idea is to gain more information from Ministers, which I believe will require a change in the structure of how this House treats European business. That is important. The Home Secretary put forward that view when she was the shadow Leader of the House and the Labour Government Front-Bench team also spoke strongly about it, but it never came to anything. I believe that it must now be looked at again.

The new clause makes a plea for this House to be treated seriously and to be properly informed by Front-Bench Members. Members need to be interested and engaged in the process whereby differences can be made to our relationship with Europe.

Mr Robert Buckland (South Swindon) (Con): I am attracted by the hon. Gentleman's argument about the need for a change in the way this House deals with European policy. Is not the logic of his argument, however, that we need to go back to an earlier stage, whereby we as legislators should be involved, pre-negotiations and pre-discussions, in thematic debates and policy statements so that we can make some input to the Commission and the institutions of Europe? Does he accept that?

Michael Connarty: I not only accept it; I fully endorse and applaud it. There is a work programme that comes forward from the European Commission, and it is debated in Westminster Hall, but very few people turn up: that is the reality. We have tried to engage a number of Select Committees by referring to them matters of interest to the European Scrutiny Committee, which continues to be chaired ably by the hon. Member for Stone (Mr Cash). We are trying to engage Select Committees in those issues so that the European Scrutiny Committee and then the House could be advised of any European matters of substance that should be considered.

We could therefore change aspects of the apparatus we use before reaching the point to which the new clause refers, where a Minister is recommending a referendum. When this clause is triggered, the Government will have decided that they want to do whatever it is the referendum has been called to consider. It will be a referendum on a Government proposal, perhaps for a new treaty or a new decision that will change our relationship with Europe.

Let me finish by providing one example. We took a decision a long time ago—it was probably agreed across the Chamber because it was politically sensitive for us not to opt into all of the Amsterdam treaty—whereby we did not become members of the Schengen group of countries. That group is effectively all the European Union countries apart from us. Frontex, the new border police, is now trying to throw a ring around Europe and it is going to be heavily pressurised by migration from other parts of the world—particularly from Africa, and perhaps very quickly from north Africa. We are not a member of Frontex because we are not a Schengen country. We sit on the board—Frontex has been quite nice to us, even though we did not sign up to it—so we asked whether any of our officers engaged in a Frontex operation could have the same protection from prosecution as other Frontex officers. We are told "No, because you are not a member of the Schengen group." The train is leaving the station very quickly to protect the rest of Europe, and the United Kingdom is running at the back waving a little flag saying "Can we join? But we do not want to be full members."

We ought to be fully informed of the consequences of decisions such as that. I am not talking about those who are, for reasons of prejudice, Eurosceptic and against doing things on an EU basis, in the belief that they can somehow be done on a bilateral basis with 26 other countries. If we had been fully informed, we would have concluded that membership of Frontex was important enough for us to take the step of joining the Schengen countries and being a real part of Europe.

Although such information and debate would be extremely useful, that will not be made possible by the new clause, and I therefore hope that it will be withdrawn. However, we need to make those changes in the Chamber if our constituents are to understand that we know what we are talking about in Europe, and that we are acting on the basis of analysis and proper information rather than prejudice.

Charlie Elphicke: It is a privilege to follow the extraordinarily interesting and thoughtful speech of the hon. Member for Linlithgow and East Falkirk (Michael Connarty). The debate on the new clause has been largely underpinned by a dislike and distrust of the European Union and its works, and I share that distrust. Many Members feel that an organisation that spends vast swathes of our money and imposes massive increases in our budget contributions in return for no obvious value, at a time of great downturn across the continent, is not an organisation that is in touch with this country—or any other country. They do not trust an organisation that feels so remote from the electors of this country and every other country in the European Union. Even in Germany, an increasing number of people are finding the European Union and its works troubling.

Martin Horwood: The hon. Gentleman says that he attaches no obvious value to the European Union. Does he exclude from that the EU's important contribution to world climate change and trade negotiations? Does he exclude the European arrest warrant, which enables us to fight terrorism across international borders? Surely those things have some value.

Charlie Elphicke: They could all have been achieved by nation states. Obviously we welcome the ability to do some things on a wider and more agreed basis, but we do not want the spider's web of intrusion into our national lives and the lives of member states that we have seen in the European Union. That is why many Members object to it and say, "We don't trust anything that happens there." Every time there is a treaty negotiation the spider's web creeps further out, more of our money is sucked in, and more of our national vitality is taken away from us and planted in Brussels.

I am merely recording the sentiments that, in my view, underlie the new clause. It is felt that we have been shut out of the process, and that we do not have a say. For the last 20 or 30 years, the Governments of all the member states in Europe have been saying that they have secured great deals in Europe, but the general public in countries throughout the European Union have a sense that they have, to some extent, been sold down the river.

The new clause is underpinned by questions such as, "What are the amendments that you are moving? What are the discussions that you are having? What really happened behind those closed doors?" I understand that view, but although I share the deep concern that has been expressed about our involvement, and future involvement, in the European Union, I am not sure that the new clause represents the right way in which to deal with it. There is a balance to be achieved, given the inevitable tension between transparency and the need for negotiations. I am a massive fan of transparency, because I want to know how the European Union spends our money, and I want government that is accountable to our people. Dare I say it, I want government of the people, by the people, for the people. On the other hand, we must take part in negotiations, and we must ensure that our negotiating position does not blow up in our faces.

Many examples can be given. The Cabinet meets in secret, and we do not learn what happened until some years later; the NATO councils and some of the United Nations councils meet in secret as well. Traditionally, relations between member states tend not to be published on a case-by-case basis. I have listened with interest to the argument being put that the Council of Ministers is not an executive organisation but a legislature. That is a technical, semantic argument about what is really a negotiation between Governments of member states—it is an intergovernmental negotiation.

I have grave misgivings about giving away our negotiating position and telling other nations, which we want to squeeze for a better deal, where our top and bottom lines are in that negotiation process. I make that point because I must tell the House, with regret, that I used to be a law firm partner—I was a poacher before I turned gamekeeper—and in that time I would negotiate for my clients against the lawyer on the other side of the table who was representing their client. I did not want to tell them what I was going to concede; I did not want them to have an idea of what I and my client might, and might not, give away in future negotiations. I did not want to reveal where the lines of debate were or when I would say, "No further," because if I had I would not have got the best deal. Just as in those times I wanted to get the best deal for my clients, in these times I want to get the best deal for my clients, who are now the people of Dover, and the nation as a whole.

Stephen Phillips: Actually, my hon. Friend is a gamekeeper turned poacher. He is making a compelling argument about not giving away our negotiating position to other EU member states. The difficulty here, however, is to do with the use of the word "relevant" in the new clause. Does that mean that under this clause we would disclose information that would not already have been known to other nation states? In that case I can see the point of his argument. However, if it means something different, it may not have that effect. Does he have any grip on what the word "relevant" means here, and does this problem not underline why the new clause should not be added to the Bill?

Charlie Elphicke: I completely agree, and I was about to turn to that argument.

The new clause is important in prompting a debate that should be had—and might previously have been had—about the relationship between this House and the Executive in respect of our negotiations in Europe. *[Interruption.]* The hon. Member for Birmingham, Edgbaston (Ms Stuart) nods from a sedentary position. This is a very important point, which goes to the heart of things, and it is why I asked about the situation in Denmark. I did so not in order to trip her up but because I was genuinely interested and knew that, as she is an expert on European matters, including the Council of Ministers, she would have experience to share on that subject.

The phrase "relevant documentation" in the new clause is not, of course, defined; it could mean anything or nothing. That is a technical deficiency, therefore. I also think that there is a technical deficiency in the phrase, "amendments sponsored". I asked the former Europe Minister, the right hon. Member for Rotherham (Mr MacShane), how amendments are dealt with in Europe: is an amendment tabled and moved, or is there a nice bit of Euro chit-chat and then everyone comes to an agreement at the end? The hon. Member for Birmingham, Edgbaston can correct me if I am wrong, but my impression is that it is a bit of a mishmash of everything, and out of the sausage machine of discussion comes a new piece of Euro-legislation, freshly approved with the mark of Europe stamped on it.

Ms Gisela Stuart: I fear the hon. Gentleman is absolutely right. The Austro-Hungarian empire would have called the process "durchwurschteln" as it is a sort of sausage machine. I congratulate the hon. Gentleman on having such a good grasp of what goes on even though he has never been inside any of those negotiating rooms in Europe. The key problem is that the practice and the theory are so far from what we think they are. That is why I thought it was so important to try to open the door on what goes on, and it also highlights why it is important to keep asking questions about how these things work.

Charlie Elphicke: I thank the hon. Lady, and I am humbled by her kind words and great generosity. An important issue of transparency is involved here. We want negotiations to go on; we do not want to have everything picked over later, to risk our negotiating position in future and to risk our relationship with other member states. They might not want some of their information put into the public domain.

I want discussion to be full and frank. Why is that? I do not know how anybody else feels, but I remember that this country went through a phase of "sofa government", when there were no minutes, no notes and no discussion. Not everybody thinks that that was a high point of our national life. Some people think that it was a particular low point because little deals got cut on sofas, in corridors and far away from anyone taking any minutes. That is the risk when we say, "Let us know

[Charlie Elphicke]

what goes on behind closed doors." Funnily enough, this sort of thing will not go on behind closed doors; it will go on in closed corridors and on sofas. I worry about that, because it is a real concern.

5.15 pm

However, I also want to have a sense of transparency: I want to know what Ministers are getting up to in Europe. I want this House to be properly involved in matters to do with the European Union, as does the hon. Member for Birmingham, Edgbaston. That is why I keep raising the example of Denmark. I have not yet mentioned Finland, but I will now go on about both those countries.

Ms Stuart: May I encourage the hon. Gentleman to go on about Finland, because it has this much more right than the Danes do?

Charlie Elphicke: That is exactly the argument that I seek to put. There is massive distrust of the European Union in this House, and massive suspicion that Ministers—of all parties—go to Brussels and sell us down the river without our knowing what goes on. Meanwhile, our electors give us a good kicking about why this, that and the other happened, and we cannot really explain why it happened and what our role in it was. So there is an accountability deficit.

Denmark has an open process, whereby its Folketing's European affairs committee meets in public and agrees a mandate system, as the hon. Member for Birmingham, Edgbaston told us. It says, "This is your up line and this is your down line. Go off to Europe and negotiate." The process is public so, as she beautifully put it, people do not need to worry about Denmark because they know where it stands. People count it in or count it out, and negotiate with everyone else. I suspect that Denmark is left out of negotiations because people say, "We don't need to cut a deal with those guys."

Ms Stuart: The difference is that although Finland mandates, the mandate can still be negotiated with its Parliament, whereas the Danes are mandated and the Ministers cannot change their minds. They are therefore at the meeting simply to say what their Parliament has told them. The Finnish system is better because it still allows for mandating movement.

Charlie Elphicke: Beautifully put, as ever, by the hon. Lady, who describes the problem exactly. The Danes' mandate becomes an open negotiating position and they lose their ability to be flexible and to push other member states in the give and take that sits at the heart of true business or governmental negotiations.

Finland, like Denmark, does involve its national legislature, but the difference is that in Finland this is done in private. The Finnish grand committee meets in private, away from the cameras and the spotlight, so it can have that important discussion.

I do not know what other Members think, but I believe that my hon. Friend the Member for Stone (Mr Cash) has some good points to make. He makes them with great passion and often at great length, and he is well informed. He passes the Linlithgow test, because he reads all those boring papers, whereas all the rest of us put our heads in our hands and then flip through them quickly to pick out the main points. My hon. Friend actually reads this stuff—I do not know how he does it, but he does—so he is able to have a substantial and serious discussion about the issues. I put it to the Minister—I hope that he will respond in due course—that we need a mechanism, perhaps a Committee system, whereby those hon. Members who are interested, even obsessed, with the European Union can represent the House's interests and hold discussions in private, as the Finnish grand committee does, before a negotiation happens.

The Intelligence and Security Committee knows what goes on, and therefore builds in some democratic accountability, but it does not blab to everyone exactly what our spies are up to around the world and what our security interests are. If it were possible to have a mechanism similar to the grand committee system in Finland, so that Parliament could be involved, perhaps there would be a greater sense of trust and a greater sense not only that we have the essential transparency, but that we do not send our Ministers in to bat in Brussels with—as I think a former Prime Minister put it—one arm tied behind their backs, so that they cannot negotiate in this country's fullest interests.

Mr Buckland: My hon. Friend makes a powerful case in relation to Finland. Does he not agree that the system in Sweden, which is quite similar to that in Finland, would provide a useful way forward? Such a committee could meet, usually in closed session, and give a mandate to the Minister. The Minister would have discretion to depart from that mandate, but the position would be clearly defined before the Minister went to the Council. That has all the attractions of the systems that my hon. Friend has been ably advocating.

Charlie Elphicke: My hon. Friend makes a powerful point. I do not think that it is for me, as a Back Bencher, to find the detailed solution, but those who are senior in the House, such as Front Benchers, should consider the other models of accountability used in Europe. They should consider the fact that we want accountability and transparency, without prejudicing the United Kingdom's negotiating position in the discussions that are held in European Councils. So long as we have to put up with being a member of the European Union—or, indeed, are enthused by that fact—we need to negotiate well and get the best possible deal for this country.

Martin Horwood: I originally intended to speak in support of the comments made earlier in the debate by my Gloucestershire neighbour, the hon. Member for Stroud (Neil Carmichael), but I found myself in a surprising degree of agreement with the hon. Member for Dover (Charlie Elphicke), who gave a learned analysis of the implications of the new clause, as opposed to its intent.

As described by the hon. Member for Birmingham, Edgbaston (Ms Stuart) and others, the intention is to create more transparency and openness—that is obviously a good thing, which we would all support—but somewhere in the drafting of the new clause it has become a little confused, or perhaps awkward, in the attempt to bring it within the scope of the Bill.

The effect of the new clause would be to reveal a great deal of documentation, but after the decision had been taken. The decision to which the statement under clause 5 related would have already happened. Although much of the documentation would be relevant in the sense that it related to that decision, it might not prove to be very pertinent to the decision. Much of it might be advice, even legal advice, that was ultimately rejected. So it would not have materially affected the decision under consideration. What really mattered would be the outcome, and the proposals that the British Government were putting to Parliament and, perhaps even in a referendum, to the people of this country. We could discuss that without the benefit of all the paperwork that had been discarded earlier in the process.

The second problem with the new clause is that a lot of what the hon. Member for Birmingham, Edgbaston said was about trying to add transparency to the process at European level—to the Commission's decision-making processes and the debate in the Council of Ministers. The hon. Member for North East Somerset (Jacob Rees-Mogg) compared that to the former secrecy of debates in this Chamber, but the new clause would not reveal the debate that took place at European level. It would reveal only the background paperwork, which would be rather like getting a House of Commons briefing, but with no copy of *Hansard* to follow.

The new clause would not bring great openness or transparency to European processes. The only transparency that it would provide would be on the British negotiating position. Then we would start to have a problem, because although that would be revealed after the event, the nature of the advice, especially the legal advice, could have profound implications for future negotiations. If we revealed all that documentation, that would clearly impact on the position of British Ministers in subsequent negotiations. It would almost certainly impact on the advice, especially legal advice, that officials felt able to give to Ministers, because they would know that it was not private advice, but would become public in due course. Clearly, that would put British Ministers at a disadvantage relative to other Ministers in the European Council. It would undermine the British interest and thereby achieve, presumably, the reverse of what the new clause intends. It would, in a real sense, send British Ministers naked into the Council of Ministers. In some cases, that is a very sobering thought indeed.

Mr Ian Davidson (Glasgow South West) (Lab/Co-op): Has not the Liberal position traditionally been to want British Ministers to go naked into the conference chamber of the EU? Does the hon. Gentleman agree that his and his colleagues' Europhile tendencies contributed towards the Liberals' stunning success in coming sixth in the Barnsley by-election?

Martin Horwood: I am not sure that we have a party policy on nakedness in general—although I shall certainly consult my colleagues on that.

I shall not detain the House long, but it seems clear that the new clause would result in the undermining of the British interest in terms of ministerial participation in negotiations. There may be measures that should be introduced to add more transparency and openness to the EU at Commission level, and certainly at Council of Ministers level, and I am sure that I, and Liberal Democrat Euro MPs and Members of this Parliament, would be sympathetic to them. There may even be methods that we should explore similar to the Finnish model about which we have heard so much. Those would also be greeted with a lot of sympathy, but the new clause would not deliver any of those things, so I am afraid that hon. Members should throw it out.

Ben Gummer (Ipswich) (Con): My hon. Friend the Member for Aldridge-Brownhills (Mr Shepherd) reminded us that the purpose of the new clause is to deal with the manifest lack of trust that the public have in the negotiation, on behalf of the British public, of grave constitutional issues in the European Council and elsewhere. The new clause would itself introduce a considerable constitutional change, and I hope that hon. Members will allow me to say that I would find that not a necessarily unhappy change, but a change none the less. That is the fact that, heretofore, Ministers of the Crown negotiated and treated on behalf of the British people and of the Crown, and Parliament, if it saw fit, studied the results of that treaty after the event.

That is not necessarily a good way for Ministers to discuss the nation's interests in the councils of the world, but it is the situation as it stands. I would suggest, therefore, that if we are to see a change to that protocol—as was, to a degree, anticipated by the previous Government in their discussions on the royal prerogative—it may be appropriate to consider in the round the other international bodies and instruments to which we are party, and not just our relationship with the EU.

Hon. Members have rightly said that the EU is of considerable concern to many of our constituents. It is, but so are our World Trade Organisation negotiations. The EU has not yet created a riot on the streets outside Parliament—not yet, at least—yet a few years ago we had the anti-globalisation riots, which arose directly out of our negotiations in the WTO.

Mr Davidson: Does the hon. Gentleman agree that our constituents generally take European matters much more seriously than almost any other international matter? Proof of that is the fact that in the Barnsley by-election, the UK Independence party managed to beat the Conservatives. What does that say about public confidence in the Conservatives' position on Europe?

5.30 pm

Ben Gummer: The hon. Gentleman has made a powerful point, but the public often have interests beyond the European Union. So far they have created a riot on trade issues. I happen not to agree with what the rioters were doing or with their motives, but the matter raises extreme passion among our constituents. Members know perfectly well that we are regularly written to by people who are concerned about globalisation and world trade rules. Our negotiations in the Security Council are another case in point. We as a nation are currently discussing Libya, a matter of considerable concern to our constituents. Perhaps we could have an understanding of the Government's negotiating position on that, so that we might study and better understand what the Government plan to do.

Our constituents have considerable concerns about security matters with the United States, Commonwealth allies and other partners. I have been written to far

[Ben Gummer]

more often about our security co-operation arrangements with other nations than about the European Union. Here, too, it might be appropriate for the House to have some sort of structure, such as that proposed by my hon. Friends the Members for Dover (Charlie Elphicke) and for South Swindon (Mr Buckland), whereby we see what the Government propose, in anticipation of their negotiating.

In the matter of declaring war, the House had a cursory and temporary assessment of the merits of conducting war against Iraq. It is shameful that even the papers relating to that cannot be released to the Iraq inquiry so that we might see the decision-making moments that happened in that most extraordinary and important decision that the House and the Government have taken in the past decade.

Although I support the broad thrust of the new clause, it would be more appropriate to consider all the international organs and bodies on which we sit, and to do so on the basis of a much wider consideration of the constitutional powers that our Ministers wield when they are negotiating and treating on our behalf.

Mr Greg Knight (East Yorkshire) (Con): I think my hon. Friend is making a strong case for a full and wide review of the royal prerogative. Is that what he is arguing for?

Ben Gummer: My right hon. Friend has expressed that with much greater concision than I have managed, and embarrassed me in the process.

There is so much concision in the new clause that it is difficult to understand precisely what the proposers are getting at. It says that the papers relating to the negotiations should be released

"during negotiation of the treaty or decision."

One of the proposers, the hon. Member for Birmingham, Edgbaston (Ms Stuart), related the negotiation of the European working time directive and the fact that it took from 1992 to 1999 to make that decision. At which point during that long negotiation would the papers relating to it be released to the House? If released after the negotiation had been concluded in 1999, would they have helped to understand the Government's position in 1992?

Ms Gisela Stuart: The release of the papers would indeed have helped. The subsequent interpretation of the working time directive and the detail of how it should operate by the Court of Justice would have made it clear that none of the Governments involved in the original negotiations had intended certain interpretations to be made. That would have strengthened the House's hand in saying, "No, that's not what was intended, even by our Ministers."

Ben Gummer: The hon. Lady has clarified that beautifully. It argues for wider consideration of such issues in the kind of structure anticipated by my hon. Friends and the process in Finland that she described.

There is a broader transparency that the House enjoys, which is to put to the electorate a manifesto at the time of elections. In the past 10 years a party has put forward a manifesto proposing a referendum on the European constitution, lately called the Lisbon treaty, yet that referendum was never granted. The purpose of this Bill is to ensure that such mendacity cannot be repeated. I therefore propose that the new clause be advanced at a later stage and on a wider basis, but I support the broader purposes of the Bill.

Laura Sandys: Does my hon. Friend agree that taking that proposal forward and evolving it over the next couple of years and months must be done on a multilateral basis, not a unilateral UK basis?

Ben Gummer: My hon. Friend makes an important point, because it is patently obvious how difficult it is for the United States, our ally, to negotiate at the moment, following the unilateral release of its documents to the world's media, which was not its choice. If this is to be done, clearly it must be on a multilateral basis, especially with our key allies in the Commonwealth and the United States, as well as those in Europe.

I support the main aims of the Bill. I am greatly attracted to the thrust of the new clause, but I suspect that it would have more power and greater reach if it were advanced at a different stage and on a wider basis.

Mr Buckland: I want to make a few brief remarks about what is, on the face of it, a very laudable new clause. It is proposed by a number of Members whose reputations for seeking more openness in the transactions of government precede them. However, I hesitate to support it for several reasons, many of which have been ably outlined by other Members during the debate. In an intervention, my hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips) really got to the heart of one problem with the terminology used in the new clause, particularly the word "relevant", which is used in subsections (1) and (2).

Mr David: The hon. Gentleman may well have a point. He focuses on the word "relevant", but does he agree that the same arguments could be used against the word "significance", which is used throughout the Bill?

Mr Buckland: I disagree, because I think that the term used in the Bill in relation to significance is very well couched. It has been explained very carefully and is backed up by a careful and clear text. There is a list in the Bill of the particular aspects that will trigger a referendum. I am afraid that I do not think that our points about those two words are analogous.

The word "relevant", which I am focusing on, causes lawyers and all those with an interest in the law much difficulty in a wide range of issues. For example, an application for relevant documentation made before a criminal trial can cause much debate and argument on precisely what the term means. Frankly, I can see the same thing happening with the new clause and the issue going before the courts. In other words, I can see a judicial review of a particular laying of documentation by a Minister as part of the process, which again would make juridicable those issues that are properly dealt with by this House. I do not think that that is the intention of the Members who tabled the new clause, but it would be an unfortunate and unforeseen consequence of the use of that terminology, because what is relevant to one person will not be relevant to another. I can see a long and exhaustive list of documents being laid before the House and yet more requests being made for further documentation, which will then have to be ruled on by a court. Those would be regrettable consequences that none of us wants to see.

Another main problem with this rather wide-ranging new clause is the fact that not all the documents would be in the possession or ownership of the UK Government. It is clear from the phrasing of the new clause that many of the documents will have been drafted by either EU officials or other member states. Therefore, they are not under the ownership or control of the UK Government; they are what we call third-party documents.

The new clause would therefore have a great impact on the position of other member states and the institutions of the European Union. As we have heard, from my hon. Friend the Member for Dover (Charlie Elphicke) in particular, other member states have their own procedures and ways of dealing with pre-negotiation positions, and many are dealt with in secret. Are we to say that this House has a right to interfere directly with the procedures of other member states?

My hon. Friend the Member for Aldridge-Brownhills (Mr Shepherd), in his eloquent speech, said that what is for the Danes is a matter for them, but I am afraid that the new clause would drive a coach and horses through that, because what is for the Danes would no longer be a matter for them; it would become a matter for us. In effect, we would decide to disclose documentation that they, under their procedures, did not want formally disclosed, and that would have a consequence for our relations with other member states in the context of freedom of information.

Such a decision would also have a consequence for existing regulations on access to EU documents. The current regulations, to which this country is a signatory, provide rights of access to documents held by EU institutions, and with the consent of those institutions the documents can then be disclosed to the public. The new clause would override and potentially conflict with that rule, and that is a problem—a practical difficulty—which makes questionable the fundamental deliverability of the aims of the proposed change. We cannot legislate in a vacuum, and we cannot ignore the rules of other member states or the rules and regulations to which we are a signatory.

Ironically, in an attempt to assert the power of this House to scrutinise negotiation and legislation, we risk interfering directly with the domestic arrangements of other member states, and I am absolutely sure that many who have spoken in today's debate, who always speak so eloquently about the rights of nation states in the European Union, would not want that to happen.

I yield to no one in my fervent belief in transparency and openness. I believe fundamentally that some of the previous Government's conduct was a negation of democracy, and, if the European Union is to be sustained as an institution that is worthy of the trust and support of not just its members but its peoples, much more must be done to increase that transparency.

Finally, I also believe fundamentally that we have to be realistic and strike a balance between the interests of openness and the interests of efficient and effective negotiation. My hon. Friend the Member for Dover, in his speech—

Ben Gummer: His excellent speech.

Mr Buckland: His excellent speech; I am happy to be corrected. My hon. Friend the Member for Dover made an important and helpful analogy between the negotiations that he as a lawyer would conduct on behalf of his clients and the work of Ministers representing this country in the Council of Ministers and in other European institutions. He quite rightly said that it would be—I paraphrase somewhat—rather absurd for him to be forced to reveal to his opponents his entire menu of options during a negotiation.

I adopt that analogy but take it one stage further: it would be even more absurd for my hon. Friend, as a lawyer justifying his decision to his clients, then to be forced to disclose not only the documents that he generated as a result of his negotiation, but the documents generated by his opponents. That would potentially prejudice not only his position but that of another party to the negotiations. Indeed, I am sure that he took part in negotiations with more than one party.

5.45 pm

One can therefore see how the entire house of cards comes tumbling down as regards the freedom to indulge in a human negotiation. Let us face it, we are all human—we all know the constraints that can be placed on us if we know that everything that we say and do is, as in this place, taken down and recorded. If negotiations are to mean anything, there has to be an element of freedom within which our elected Governments who represent us on the European stage can conduct themselves. For all those reasons, I oppose what is otherwise a very well-intentioned new clause.

The Minister for Europe (Mr David Lidington): This has been a genuinely interesting debate which—somewhat unusually for European debates, dare I say it—has developed in a way that I did not altogether anticipate. We started by discussing a new clause dealing with transparency and public and parliamentary access to information concerning European negotiations, but as the debate continued it developed along the broader theme of the adequacy or inadequacy of our current arrangements for the scrutiny of decisions taken by successive Governments of the United Kingdom on behalf of Parliament and people within the institutions of the European Union. I thank all right hon. and hon. Members who have taken part in the debate.

The key choice that has to be borne in mind in considering the proposition put forward in the new clause tabled by my hon. Friend the Member for Hertsmere (Mr Clappison) and the hon. Member for Birmingham, Edgbaston (Ms Stuart) concerns the most effective balance between, on one hand, appropriate access to information that provides the flexibility to allow citizens and other interested parties to see documents that contributed to policy making and, on the other hand, the need to preserve a space for candid, confidential discussion, deliberation and negotiation to ensure the best possible outcome in the interests of our country. I have sympathy for many of the arguments—certainly the motivations—of the hon. Members who tabled the new clause, but I do not think that it would deliver the right balance. I will make my arguments in more detail in due course, but I hope that at the end of the debate they will not press the motion to a Division.

[Mr David Lidington]

I want to start by addressing some of the broader issues that have been raised. The hon. Member for Birmingham, Edgbaston said that we needed to know when and how Ministers voted. Of course, one of the changes introduced by Lisbon is that we have new rules for the workings of the Council, including not only a public record but a public broadcast of the final deliberations at a Council session on legislative dossiers. At that point, it is apparent how each member state has voted, if indeed there is a formal division, and the arguments or the statement of position that the Minister or other representative of a member state chooses to put forward are also be made public. I have sat through a number of those public sessions over the past 10 months. I do not think that they will ever command a mass audience on a Saturday evening. I am not aware that they have ever been broadcast as part of the regular prime-time news bulletins in this country or any other member state.

The new clause and many of the contributions to the debate have tried to get at how Parliament, on behalf of the public, can hold Ministers to account more effectively, not just for that final, often rather formal, process of taking a decision on live TV, but for how the negotiating position of the United Kingdom is shaped in the numerous bilateral contacts and contacts with European institutions that are undertaken by Ministers and officials, sometimes over many months. A number of ideas have been suggested. My hon. Friend the Member for Ipswich (Ben Gummer) said that we need to look at the matter in the context not only of the EU, but of our participation in other international institutions and considering the use of royal prerogative powers more generally.

It is interesting that no hon. Member has mentioned the House of Lords, which has distinct and different scrutiny arrangements. There is a question for parliamentarians at both ends of this building as to what methods of scrutiny experience teaches us work best and most effectively. If Government and Parliament are to agree on new scrutiny arrangements, the position of both Houses will have to be taken into account.

Mr Cash: I am sure that the Minister would not want to misrepresent the differences between the two Scrutiny Committees. I know he is aware that the House of Lords has more generalised debates, whereas under our Standing Orders, our debates relate to particular legislative documents. To align the two might be a bit of a mistake.

Mr Lidington: That would be a matter for debate. I have heard dissatisfaction with the current scrutiny arrangements and a wish to explore the alternatives from several Members from all parts of the House this afternoon. At the moment, we have a model in the House of Commons and a model in the House of Lords. This business is done in various ways in other member states. Such a debate would take all those approaches into account.

The hon. Member for Linlithgow and East Falkirk (Michael Connarty) and my hon. Friends the Members for Dover (Charlie Elphicke), for South Swindon (Mr Buckland) and for Cheltenham (Martin Horwood) talked more generally about how we could improve our scrutiny arrangements. It seems to me that we need to keep the distinction between Parliament and Executive clearly in mind. Parliament's role is to hold Ministers to account for their decisions, not to take on the role of the Minister. There is a strong case for saying to Parliament—perhaps I should be more cautious and say suggesting to Parliament—that rather than drowning parliamentarians in paperwork, about which the hon. Member for Linlithgow and East Falkirk made a good point, Parliament and its Scrutiny Committees could seek to call Ministers before them, including in advance of Council decisions rather than necessarily waiting for the final version.

Ms Gisela Stuart: Will the Minister say how he thinks the House can overcome the problem of collective memory? In Whitehall, there is collective memory within the Administration, and if there is a change of Government, it is handed from one Administration to the next. Parliament has overcome the problem through successive Select Committees. However, if the knowledge is not in Parliament, once an Administration are gone it has no access.

Mr Lidington: When speaking on behalf of the Government, I must be careful not to presume to represent a collective Government position that does not yet exist, nor to pre-empt the views of parliamentarians from all parts of the House on the most appropriate method of scrutiny.

Mr Cash: The Minister is moving away from the proposals put forward by the hon. Member for Birmingham, Edgbaston (Ms Stuart) into a much deeper question, and I know that he is taking this opportunity to do so. As Chairman of the European Scrutiny Committee, I ask him to consider also that because the decisions made by the Council of Ministers are of a legislative character and are binding on Parliament through section 2 of the European Communities Act 1972, it is incumbent on him to consider the idea—in fact, to implement it—that Parliament may decide to vote against proposals that have been cultivated by the Government and to reject provisions that have been decided in the Council of Ministers. Perhaps the Minister can throw that point into the pool of his considerations.

Mr Lidington: That is clearly already possible under our system if a European measure comes forward that requires primary or secondary legislation to transpose it into the law of the United Kingdom. It is up to the Government of the day, of whichever party or parties it is composed, to retain the confidence of Parliament and to persuade a majority in Parliament to endorse their preferred approach.

The hon. Member for Birmingham, Edgbaston challenged me on the question of collective memory. The hon. Member for Linlithgow and East Falkirk said that he regretted the switch from European Standing Committees with fixed memberships to European Committees with shifting memberships. I spent my first Parliament, among other things, doing duty on European Standing Committee A. There is no doubt that I learned a great deal by virtue of that continuity, not least through the example of the late and great Gwyneth Dunwoody on how to hold Ministers to account. She used to deliver a master class in reading the documents in advance and picking out the weaknesses in the Government's argument.

Michael Connarty: I could share many happy memories of that lady turning up in Standing Committees of which she was not a member and holding Ministers to account because of her interest in the subject. Cross-border health care, for example, although not her speciality, was a cause célèbre for her.

I compliment the previous Government and the present Government for continuing to send draft Council conclusions to the European Scrutiny Committee. That is what a lot of Members, such as the hon. Member for Dover (Charlie Elphicke), have been talking about—actually seeing the proposals that are before the Council before they are discussed in the Council. The difficulty is that they are "limité" documents and are therefore semi-confidential. If there was a method that allowed a Committee or group of people in Parliament to have that responsibility—as is done in Denmark and Finland—and to interrogate the Minister on those documents, it would be a great step forward.

Mr Lidington: That is certainly an interesting suggestion. I am grateful to the hon. Gentleman for his compliment. We intend to continue the practice of supplying "limité" documents whenever appropriate.

There is sometimes an issue about where the boundary of responsibility should lie between the European Scrutiny Committee and the various departmental Select Committees. If I have one reflection to offer from my experience in the 10 months that I have held my responsibilities, it is that parliamentary debate on this country's engagement with the EU tends to take place in a metaphorical annexe. It is as though Parliament had constructed a separate, padded building, where the equivalent of the teenagers with their drum kits could get up to what they wanted. There is a serious question to be asked about whether our arrangements do justice to the fact that the European decision-making and legislative process should now be regarded as part of the mainstream of politics in the UK, rather than as something that can be relegated to an annexe.

6 pm

Mr Cash: I would very much welcome the idea of having, for example, European questions in the House. I have many proposals that would make the system more efficient. I remind my right hon. Friend of the current Home Secretary's pamphlet, which recommended not only that European Committees should have their proceedings properly advertised, but that if, for example, 150 Members decided that they wanted to have the matter in question debated on the Floor of the House, there should be a free vote on a motion to overturn a decision taken in the Council of Ministers, whether or not the Government had approved the provision there. Some of us would be more interested in the results of a vote than in a mere discussion.

Mr Deputy Speaker (Mr Nigel Evans): Order. Can we bring the debate back, please, to new clause 1?

Mr Lidington: I will try to bring this part of my speech to a conclusion, Mr Deputy Speaker, by saying that this has been an interesting discussion of the broader themes involved. We have heard allusions to various Scandinavian models of European scrutiny.

Mr David: Before the Minister finally moves on, I point out that I have been thinking long and hard about what to buy the hon. Member for Stone (Mr Cash) for Christmas, and now I am going to buy him a drum kit.

I welcome the tone and content of the Minister's comments about having more scrutiny in the House. May I suggest to him that we really need to reinstate the twice-yearly debate about Europe before the Council meetings? Before he responds that that is an issue for the Backbench Business Committee, I once again implore him to ensure that Government time is provided for those debates.

Mr Lidington: I know that the hon. Gentleman has at least been consistent in pushing that line, but I have to remind him that his party, when it was in office, and all other parties, agreed unanimously to changes to our procedures and the organisation of parliamentary time that explicitly gave responsibility for those biannual debates on European matters to the Backbench Business Committee rather than the Government.

We have heard this afternoon about the importance of decisions in the EU to everybody in the country, and it would be a good expression of Parliament's understanding of that point if Back Benchers of all parties put pressure on the Backbench Business Committee to make a debate on Europe a priority, instead of debates on the other matters that the Committee has chosen in response to Back Benchers' demands. Back Benchers' priorities should be debated in Back-Bench time, and I believe that most of us present this evening would like the Committee to feel that a debate on Europe was what Back Benchers wanted. I hope the hon. Gentleman will persuade his colleagues of that.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. I am sure that we want to deal with new clause 1, and I am sure the Minister recognises that he is drifting away from the subject. He has been tempted all over the place, but I am sure he will want to deal with what is before us.

Mr Lidington: I simply remind all hon. Members who want to take forward these wider arguments that I said in my written ministerial statement on scrutiny on 20 January, which referred mostly to justice and home affairs, that the Government would

> "review the arrangements for engagement on EU issues in consultation with Parliament."—[*Official Report*, 20 January 2011; Vol. 521, c. 52WS.]

I invite them to take advantage of that opportunity.

I turn to the detail of new clause 1, which causes me concern because it would result in the United Kingdom having a substantially different policy with regard to information on EU decision making from that on domestic policy making. It would also represent a substantial impediment to the UK's ability to negotiate effectively in an intergovernmental conference, in the European Council and in the Council of Ministers. As a number of Members have said, it could have a negative impact on our relationship with other member states and the EU institutions, and more generally on the process of good policy making and legislation.

The negative effect on our ability to negotiate at the Council of Ministers concerns me most. First, action to comply with the statutory duty that the new clause would impose on Ministers could reveal sensitive

[Mr Lidington]

information about the UK's long-term negotiating approach in a number of areas. I do not believe it is sufficient protection to say that the negotiations would be complete or substantially complete by the time the documents were made available, because it is very rare that negotiating positions taken in respect of one piece of legislation do not have a read-across to positions on other matters that will probably still be live dossiers when that legislation has been agreed to.

Secondly, complying with the new clause would mean that our tactics in negotiations would have to take into account the duty to make negotiating positions on proposed amendments public at a later stage. For example, there are occasions on which we try to persuade other member states to propose, or take the lead on, particular amendments so that we can concentrate our time and energy on different amendments that perhaps have less widespread support. If a Minister knew that he might be criticised if it became public that he had not sponsored a particular amendment, that would constrain our negotiating tactics and weaken our negotiating strategies.

I quite understand that the proponents of the new clause might want to see how a decision is made at EU level and the details of what part the UK has played in that process, but I do not want any Ministers of any Government who are fighting for Britain's interest in future discussions and negotiations to be doing so with one hand tied behind their back. It is absolutely essential to our national interest that Ministers can negotiate effectively on behalf of our country.

As a number of Members have said, including my hon. and learned Friend the Member for Sleaford and North Hykeham (Stephen Phillips), the new clause would also have implications for information that we have on record about the positions of other member states. There is even a risk that its requirements could put us in conflict with existing European legislation. As a member state of the EU, we are party to the terms of the access to documents regulation, article 5 of which requires that when any member state intends to disclose a document originating from one of the EU institutions, it must consult that institution before public disclosure. If, under the new clause, we had to release a text submitted at a Council working group that included proposed amendments from each member state, and the agreement of the Council as a whole had not been sought or obtained, we could potentially be at risk of infraction proceedings and ultimately a fine. As the new clause is drafted, it is quite possible that our obligations as an EU member state could be at odds with the statutory duty that the new clause would create.

Mr Cash: Has it not occurred to the Minister that if a serious question of accountability arises as a consequence of what he just said, as it does, there is a simple remedy if we are sovereign in this House: we simply override the EU and tell it to get lost?

Mr Lidington: The remedy that my hon. Friend seeks can be obtained by Committees and the House being energetic in holding Ministers to account for the positions that they take and for the way in which they agree to whatever compromise is eventually negotiated.

Importantly, the proposed new clause does not specify in any way to what "relevant documentation" refers. That came up earlier in the debate. It is not clear, for example, whether "relevant documentation" covers so-called non-papers submitted by member states, which are intended to be "without prejudice" contributions to discussions. Does it include Council working group documents that give the position in summary of each and every member state on a particular issue? There could easily be widely diverging views on what comprises "relevant documentation".

That lack of clarity could also cause confusion in relation to UK documents. Reference was made during the debate to whether legal advice given to the Government would be required to be made available under the terms of the proposed new clause. If so, that would clearly undermine the principle of legal professional privilege, the significance of which the Information Commissioner has generally recognised in the context of the Freedom of Information Act. Governments need to receive free and frank legal advice without fearing that it must be drafted in a form that is suitable for later public consumption.

Hon. Members may argue that we should try to use the current renegotiation of the access to documents regulation to implement the provisions of proposed new clause 1, but that measure would take us a long way beyond what would be acceptable in terms of releasing documents that are used at EU level for deliberations and decision making. The positions of other member states in respect of the documents that they make available to their Parliaments and public vary dramatically. Domestic regulations in several states lay out specific criteria on which documents can and cannot be released. Such criteria often allow for a great deal of discretion for Ministers or their officials, or impose strict limitations on the type and origin of documents to be released.

In some member states, the approach is to accept the general principle that as much documentation as possible should be released, with the only limitations being the prevention of harm, with harm often being defined in terms of personal, legal or economic impact.

Mr Cash: My right hon. Friend is expertly demonstrating the complete, total lack of democracy in the EU. If ever a case needed to be framed and put in everybody's loo, it is this one.

Mr Lidington: I look forward to visiting my hon. Friend and seeing the framed *Hansard* extract of my argument. I could return the compliment by wallpapering one of my rooms with the *Hansard* report of one of his speeches.

Hon. Members referred to a number of EU member states in the debate. Denmark was cited more than once as the prime example of an open country, but the documents that the Danish Government must provide to the European Affairs Committee of the Folketing do not include the positions of other member states or amendments that they have proposed, and nor are the Danish Government required to provide documents that have been prepared for their internal use, such as inter-ministerial correspondence. Even in Denmark, the right of access is subject to limitations when protection of, for example, public financial interests is essential.

6.15 pm

I could run through a list of other countries and cite similar limitations and the categories of exemption that they choose to apply, but I will deny my hon. Friends and hon. Members that particular treat this evening. As a matter of general principle, the most effective way to operate in the EU is to build alliances and mutual trust with other member states that share our objectives, or that we can persuade to do so. That would be undermined by the approach embodied in proposed new clause 1.

Many member states would, with good reason, be concerned if the British Government were under a unilateral obligation to disclose documents relating to their positions in Council deliberations. Imagine the reaction here if the Spanish or Slovenian Government were to say, "Because our laws say so, we're going to make public your initial position on this proposal and any detailed amendments that you have brought forward whether you like it or not, and regardless of whether you were subsequently persuaded to accept a different approach." We must respect the sovereign rights of those member states. Revealing confidential information on other Governments' amendments and negotiating positions would not enable us to forge the coalitions that we need to defend our national interest, but would make that considerably more difficult.

Although I am sure that this is not the intention of the supporters of new clause 1, one consequence of releasing Council deliberations routinely into the public domain would be to put it at a disadvantage with the European Parliament under the ordinary legislative or co-decision procedures. If we want to maintain and maximise British influence in the EU, we need to promote an effective and cohesive Council. It is not in the Council's interest to reveal to the European Parliament all details of its negotiations, including the balance of argument and how compromises are struck. I know that some in the European Parliament claim that their committee meetings are open to the public and therefore that Council working groups should be similarly open, but it is understood that often, the real negotiations in the European Parliament take place outside Committees—I am glancing over my shoulder at my hon. Friend the Member for Daventry (Chris Heaton-Harris)—in corridors, coffee bars and restaurants.

I see no merit in anything that encourages the Council to move in the same direction, which I fear proposed new clause 1 does, and nor do I see merit in enacting a measure that would encourage people within the British Government, and perhaps within the Governments of other member states, not to commit their thoughts and ideas to paper, but to conduct negotiations verbally or by Post-it notes that could easily be disposed of subsequently.

The very things that my hon. Friend the Member for Hertsmere denounced—decisions taken in secret and informal meetings arranged to fix a compromise in advance of a formal discussion—would be made more likely and not less by new clause 1. For those reasons, I cannot support it.

Mr Clappison: I am grateful to my right hon. Friend the Minister for the care and attention that he has taken in answering this debate and for the manner in which he has done so. I am sure that it has been of great assistance to the House, and I will now be going to the Library to seek out a copy of the European Union access to documents regulations—I certainly would not want to fall foul of them, given what we have been told this afternoon.

My right hon. Friend has approached the debate in the spirit of the new clause. I am sure that the hon. Member for Birmingham, Edgbaston (Ms Stuart), in drafting the new clause, did not think that it was the finished article. It was a plea for greater transparency, and I hope that it has been taken as such. Despite possible problems with, for example, the phrase "relevant documentation", what that might include, and what implications might flow from it, I hope at least that on the question of amendments proposed by a Government during treaty negotiations and treaty changes—that is what new clause 1 deals with—whether through the ordinary procedure or the new simplified revision procedure, members of the public and the House will be told what amendments are being, and have been, proposed by the Government, so that we, and members of the public, can judge, in due course, the strength of the Government's position on what they ultimately recommend. We should be told whether a Government have been consistent in the amendments that they proposed and in what they subsequently recommend.

I will give one example. I was struggling earlier to think of one, although I know that there are a lot of them. During negotiations on the Lisbon treaty, Ministers in the then Government came to the House and advocated a certain clause or course of action, but it was discovered that during the negotiations on the Convention they had advocated exactly the opposite. One prime example was the creation of the European "foreign ministry" itself—the European External Action Service. During the debate, I have helpfully been told by the House of Commons Library that the then

> "government's amendments in the Convention to articles 1-27, III-197.1 describe the term *'Foreign Minister'* as *'unacceptable'* arguing that *'he/she should have no ministry'*. The government preferred the term *'EU external representative'*."

Well we have our external representative—or rather, our High Representative—but perhaps that phrase conceals the fact that she is in reality a Foreign Minister, and the office was originally intend as such. We also have a European "foreign ministry" in the form of the EEAS, even though the then Government did not want it. They then had to come before the House, having apparently lost on that amendment, and argue from the Dispatch Box in favour of the creation of an external action service. The Minister will well remember, as I do, that on that occasion, Conservative Members opposed its creation. In the light of developments since, and what the public have come to learn and think about the EEAS and its conduct, I am not sure that our arguments against it have been entirely disproved. But there we are. That is one example.

The new clause was a plea for transparency. However, I know that there are important matters still to come before the House, and I do not want to delay them by pressing the new clause to a vote. I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 2

PARLIAMENT ACT 1911 IN RELATION TO SECTIONS 1 TO 7

'(1) The Parliament Act 1911 is amended as follows.

(2) In section 2(1), after "five years" there is inserted "or a Bill amending or repealing sections 1 to 7 of the European Union Act 2011".'.—*(Jacob Rees-Mogg.)*

Brought up, and read the First time.

Jacob Rees-Mogg: I beg to move, That the clause be read a Second time.

The purpose of new clause 2 is to exempt most of the Bill from the functioning of the Parliament Act 1911. That would mean that were a Government to attempt to repeal it, they would have to do so with the consent of the House of Lords, without being able to re-present it a year later and get it into law regardless. The new clause would give the same protection to the rights of the British people to vote in a referendum on European matters as exists concerning the length of a Parliament.

It is one of the ironies of our constitutional system that the unelected Chamber has since 1911 been the final guardian of the democratic rights of the British people. Since 1911, it has been impossible to lengthen a Parliament without the willing consent of the House of Lords. It is the one part of the Parliament Act that the House of Commons cannot simply override. The last extension of a Parliament came, I think, in 1944, as a final extension—until the war had been completed—of the wartime Parliament. That principle clearly applies to referendum Bills, which relate to a right of the British people to exercise their democratic choice that should not be taken away from them lightly, and should be as protected as anything within the constitution can be.

It is worth mentioning—I hope that the Minister will be interested in this point—that one criticism has been made of the Bill by people who otherwise are sympathetic to it. It is that an incoming Government who wanted to push through the euro, or whatever, could simply repeal this legislation and go ahead with what they wanted to do anyway. Quite rightly, no Act of a Parliament can bind its successors, but the Bill contains no protection at all against a Government who do not want to follow it. Given that the whole purpose of the Bill is to protect the rights of the British people from further Europeanisation, it would be extremely sensible to exempt it from the Parliament Act in order to strengthen it. That would remove the one criticism made by people who are otherwise well disposed to the Bill. It would make it a stronger Bill, and one more settled in our constitutional situation. I think that many of us would like to see that.

An important constitutional development is noted in volume 1 of the House of Commons European Scrutiny Committee's 10th report. It is a constitutional development that should concern the House, and on which the House should use its powers to set its seal, as it sees fit. It is essentially the Lord Justice Laws doctrine that came out of the metric martyrs case. He said:

> "In the present state of its maturity the common law has come to recognise that there exist rights which should properly be classified as constitutional or fundamental…And from this a further insight follows. We should recognise a hierarchy of Acts of Parliament: as it were "ordinary" and "constitutional" statutes. The two categories must be distinguished on a principled basis."

Lord Justice Laws went on to set out his definition of a constitutional statute as opposed to an ordinary statute. In the Bills we pass, however, there is no such difference. It is a distinction thought up by the courts, particularly to exempt the European Communities Act 1972 from implied repeal. As a matter of the most urgent constitutional principle, if there are to be two types of Act, it ought to be this House and the House of Lords who decide and determine that, not the judges. The judges are there to determine what we have said and rule on it, not to say that a new type—a whole new category—of law has been created. It seems to me that one of the ways the House could get a round that is to make it clear when we think that a Bill requires particular and special protection. Fortunately—because, as some hon. Members may know, I am a great believer in tradition—we have a precedent for that in the Parliament Act, which allows the House of Lords to be overruled on everything, with the exception of a removal of a democratic right. The parallel with the Bill is exact: it is a protection dealing with a constitutional situation developed by the Lord Justice Laws doctrine.

Martin Horwood: With the hon. Gentleman's combination of eloquence, erudition and traditionalism, he is well on the way to becoming a national treasure already. However, surely he would admit that he is really making a much better case for a written British constitution making such a distinction, rather than for giving extended powers to the unelected Chamber as the guardian of democracy. That seems quite quirky, even by his standards.

Jacob Rees-Mogg: I thank my hon. Friend for his intervention, but I am afraid that he entirely misses the point. In framing the new clause I have been working within the confines of our unwritten constitution, using the elements and protections that are already there, and extending them to the Bill. I absolutely accept that it is an irony of our constitution, as it already exists, that the protection against a Parliament lengthening its own life is an unelected Chamber a few yards down the way. However, that is the situation in our constitution, and it is one that has been enormously effective for 100 years.

Charlie Elphicke: Does my hon. Friend not agree that his argument would have more force and credibility if the sunlight of democracy shone over the other end of this building?

6.30 pm

Jacob Rees-Mogg: If my hon. Friend were to reread the Parliament Act 1911, he would see that it was introduced as an interim measure until the other place was reformed and until such time as the basis for selecting its Members had been changed. Again, therefore, I would say that my new clause is completely sympathetic with the unreformed House of Lords, and as the 1911 Act itself says, it would be part of a bigger reform of the balance of powers between the two Houses if the House of Lords were to be reformed.

I do not wish to take up much time with my new clause. It proposes an extremely simple, straightforward amendment: it serves the single purpose of making the Bill a little bit stronger, it uses a device already extant in our constitution, and it preserves and protects the rights of the British people to have a referendum against something potentially malign.

Michael Connarty: I am grateful to the hon. Gentleman, whose speeches I always read, if not always hear. He is very erudite and thoughtful in what he proposes, but today he seems to be saying that this Bill should be raised to a higher level than all the others passed by this House, apart from the European Communities Act 1972, which was given that status, which he opposes, by the courts. He is trying to put this Bill on a par with that Act, and although he does not like the process whereby the courts allocate that status, he says that it should also be allocated to this Bill, by this place.

Jacob Rees-Mogg: The hon. Gentleman has half got what I have been saying and has half misconstrued it. I do not think it right that laws passed by Parliament should be put on a different level based on what judges think of them retrospectively. I do not think that that is a democratic way of deciding which law is important and which is unimportant. One may think that the judges will always get it right, but what if they decided that the Dangerous Dogs Act 1991 was amazingly important and this Bill was not, so that the 1991 Act could not be impliedly repealed, but one giving people a vote in a referendum could be? What I am saying is that it is better for us to take this power upon ourselves and say, "Okay, this is an important Act. We're going to put that in, and say that it is exempt from the Parliament Act 1911."

The hon. Gentleman asked a good question, which is: why start with this particular Bill? The reasons for starting with this Bill are, first, that the judgment putting the 1972 Act on to a higher plane is relatively recent, and secondly, that I was elected to Parliament only last May and have therefore not had the opportunity before to propose such a measure on a major constitutional Bill, other than the Fixed-term Parliaments Bill. The reasons for starting with this Bill are because of that judgment, and because I am now in a position to do this. It would have been a good thing to do earlier, on other constitutional Bills, including on devolution to Scotland.

Austin Mitchell (Great Grimsby) (Lab): I am always impressed by the hon. Gentleman's displays of legal knowledge, but surely his whole point is spurious. The judges' argument is irrelevant and wrong: there is no distinction between some laws passed by Parliament and others. We cannot say that some are constitutional and others are not. That distinction does not exist: they are all of equal standing. The point that he is trying to make is also irrelevant, because he is appealing to a constitution that does not exist. Essentially, the British constitution is what Governments can get away with, and they get away with it in this place.

Jacob Rees-Mogg: I so wish that the hon. Gentleman, who is a most distinguished Eurosceptic, were right, but unfortunately the judges have taken that power to themselves. I return to what Lord Justice Laws said in his judgment on the metric martyrs case:

> "Ordinary statutes may be impliedly repealed. Constitutional statutes may not."

The judges have set up for themselves two different types of Act. It seems to me that we should claim that power back for the democratically elected Chamber of Parliament, and say that when we think an Act is of significant constitutional importance, what we will do is not entrench it—that is against the spirit of our constitution—but give it a modest protection by saying that it can be repealed only with the full consent of both Houses. The great advantage of that, for those of us who remember what happened prior to 1911, is that it would require a Government to win a general election—to go back to the people—before they could get something through the House of Lords, if the House of Lords said no. That happened in 1911, with the reforms to the House of Lords, and in 1832, with the Great Reform Bill. That provision has been an historic and traditional way of protecting our democratic rights—one that, oddly, involves the undemocratic Chamber—and that is why I think it would improve the standing of this Bill. It would protect the democratic rights of the British people and deal with the constitutional situation as it is—as the judges have developed it—rather than the constitutional system as the hon. Gentleman and I might wish it to be.

Charlie Elphicke: It is not only an incredible privilege and honour to listen to the superb eloquence of my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg), but an even greater privilege and honour to follow him. Nevertheless, on this occasion I do not follow him in the sense of agreeing with the new clause that he is propounding. I put it to him in an intervention that it was ironic that he was seeking to use the unelected Chamber as the guardian of the people's democracy. His answer was, "Well, look at the preamble to the 1911 Act." I was reminded of the dictum of St Augustine of Hippo, who, as I am sure he knows only too well, said, "Make me pure, Lord—but not yet."

Mr Binley: Will my hon. Friend give way?

Charlie Elphicke: In one moment.

I do not think that it is an excuse to say that because the House of Lords is partly reformed, we can give it a role as the guardian of our democracy pending the completion of that reform. Given that we have been racing towards the reform set out in the preamble to the 1911 Act for 100 years, it may take another 100 years to complete it—and given the way things carry on in this place, I suspect that we will indeed be waiting for 100 years to come.

Jacob Rees-Mogg: I thank my hon. Friend for giving way, but I just wonder whether he thinks the House of Lords has done a bad job since 1911 in the one area in which it is exempt from the 1911 Act—that is, in defending the right of the British people to have an election at least every five years?

Charlie Elphicke: I do not decry the role of the House of Lords, the excellence of their lordships, the work that they do, their courage or the passion with which they advance their cases. Indeed, it is often said that the debates held in their lordships' House are far more informed, considered, interesting and informative than our debates in this House. Having been in this place and not that place, I cannot compare the two. Nevertheless, it is a dangerous principle to say, "Let's include a provision in the Parliament Act to say that the House of Lords should be not only the guardian of five-year Parliaments but the guardian of this Bill, to protect it from being altered."

[Charlie Elphicke]

I would have much more faith in the proposal if reform of the House of Lords had been completed—something that I hope will come to pass. One of the problems that I have with the House of Lords is not the people in it or their mental ability—many of them are excellent people and their mental ability is far superior to mine—but my concern that they do not hold a democratic mandate. It is an important principle that where we have representatives in our legislature, they should have a mandate from the people. I guess it is because I am a Lincolnian politician—I believe in government for the people, by the people, of the people—that I believe that the sunshine of democracy should permeate our entire legislature, and not just this House. I admit to some radicalism in my thinking on such matters, but I believe it is important that all our politicians should be elected and have a democratic mandate.

Mr Cash: Will my hon. Friend turn his mind to this radical thought? If the House of Lords were to become an elected Chamber, it would not make the slightest bit of difference in respect of the argument that he is presenting, because the Parliament Act would remain on the statute book. The argument that my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg) has put forward would also apply to an elected House. The question, in a nutshell, is one of judicial supremacy, which is why I strongly support what my hon. Friend the Member for North East Somerset has been saying.

Charlie Elphicke: I take the view that this will be an important Act. It will introduce a referendum lock to ensure that we do not get dragged further into the European Union without consulting the British people. Inevitably, because Parliament is sovereign, it would be able to unravel the Act, to repeal it and to take away the people's right to have a say in a referendum. That is the right of Parliament, but I do not agree with the argument for entrenching it to the same extent as the Parliament Act, as is suggested in the new clause. The Parliament Act is an entrenchment of our basic right not to have our democracy stolen from us. I would not place this legislation on that same lofty plane. It is important that Acts of Parliament should be able to be changed or repealed by a sovereign Parliament. The political issue is that any person or party that repeals an Act such as this will reap the whirlwind from the electorate. I am happy that we are able to pass and repeal Acts, and that the electorate should have the final say at an election, at which point they can condemn any such behaviour. I shall now give way to my hon. Friend the Member for Northampton South (Mr Binley).

Mr Binley: I have no wish to ask you a question.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Can we conduct the debate through the Chair, please?

Charlie Elphicke: Thank you, Mr Deputy Speaker. I conclude my remarks.

Michael Connarty: First, may I compliment the hon. Member for North East Somerset (Jacob Rees-Mogg) on the eloquence both of the construction of his new clause and of his delivery in arguing for it? I believe that the new clause is flawed. He suggested that the evidence that we had received—he kept referring to Lord Justice Laws' ruling—was correct, but we received evidence from many other people that it was incorrect. It was suggested that we could not establish two tiers of laws just because a judge decided to make a remark in court, and that all laws, including the European Communities Act 1972, stand the same and can have implied amendment and repeal.

If Parliament decided to pass a law here that was contrary to a ruling, directive or regulation of the European Union, it would still stand as a law. The dilemma would then be whether the European Court of Justice would have the right to overrule that decision or whether we would press on our courts our decision in the new Act, which would cause a judgment to be called for in the European Court. If no one called for such a judgment on an Act that we had passed contrary to a regulation or directive of the European Union, it would continue to apply. It would not be knocked down, and no penalties would be imposed on the UK, unless someone called for the European Court of Justice to make a judgment on that new Act. So it was nonsense to suggest that in 1972 we had suddenly created an Act that was incapable of implied repeal or amendment.

Jacob Rees-Mogg: The evidence that we received focused on the "notwithstanding" approach—that is, that one could not accidentally repeal, or move, an Act that was contrary to the 1972 Act; one would have to do it explicitly. That is different from most other Acts of Parliament that can impliedly be repealed. This is where we come back to Lord Justice Laws' judgment, which has been de facto accepted.

6.45 pm

Michael Connarty: Just to remind everyone who reads these tomes, the 1972 Act embodied a decision by this Parliament that laws, directives and regulations drawn up by the European Union should take primacy over an Act covering the same area passed by this Parliament. It was our decision to use our sovereignty to give that primacy as part of the deal of going into the European Union.

My understanding of the evidence is that if we passed an Act that did not contain a "notwithstanding" clause or set out to be a deliberate challenge, and that simply put in place a law that we wished to have, it would have to be challenged and taken to the European Court of Justice before it created any conflict. So the question is: do we accept that that was right and that the judges have the right to do that?

I suggest that if the hon. Member for North East Somerset genuinely wishes to see that change, he should not apply to the good offices of the 1911 Parliament Act. I agree with the hon. Member for Dover (Charlie Elphicke) that it is wrong that we should appeal to an undemocratic institution. I believe that we should look to a justice Act of some kind to determine that judges cannot make such a ruling or decide that there are two kinds of laws in this country. Some people think that the European Union takes up a lot of time, but I think that the more important laws are those that will determine what is going to happen to people's pensions in this country or to their employment rights. I hope that the hon. Member for North East Somerset will come back to the House with a justice proposal, which I would be happy to support, saying that the courts cannot make a ruling that overrules the right of this democratic Chamber to decide the law of this land.

Austin Mitchell: I am trying to follow the argument, but, being a European argument, it is very difficult to follow. Surely the situation is that if we pass a law that negates the implementation of a European Union law in this country, our courts would have to accept the European Union law rather than ours. We could not pass such a law unless we specifically exempted it from the European Communities Act 1972.

Michael Connarty: My hon. Friend's point is correct, but that is not what we are talking about. He describes a situation in which this or any Government decided to challenge the original decision. A law could be passed that would continue to run contrary to European Union law; I believe that that is happening in many countries. We and the Norwegians are the most obsessed with trying to get everything right in terms of fitting in with European directives. A challenge could be made, however, and we would then have to decide whether it was right for us to negotiate a change in the relationship or to abandon our law and accept the ruling of the European Union. At the moment, that does not happen.

My main point is that we in this democratically elected Chamber can overturn these decisions at any time if we have the will to do so. We are not bound by them for ever. Like any other law, we will be able to challenge this legislation in this Chamber, which is why I do not believe that we have to go through the rather tortuous, although eloquently described, process of applying an amendment to the Parliament Act 1911.

On the ability of the Lords to protect us from changes to our democracy, they have not protected us from this shabby coalition, which is proposing a law that would guarantee that the coalition would run for five years—a proposal that I spoke against in the first debate in this place after the election—unless the shabby minority part of that shabby coalition, the Liberal Democrats, decide to pull it down, because no other person in this place could do that. If the Lords could protect us from that, I might have more confidence in the 1911 Act.

Mr Cash: I should like to endorse the general thrust of the new clause tabled by my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg), although I must qualify that slightly by saying that I do not take the view that there is a difference between different types of statute. However, that does not make a material difference to the thrust of his argument, which is that we must at all costs preserve the right of this House ultimately to make the decisions. Indeed, in the 1870s—it might have been earlier—the statesman John Bright put forward the proposition that led to the Parliament Act 1911, some 30 years before it was implemented, precisely because he did not believe in privilege, in aristocracy or in the House of Lords as it was then constituted.

The reality is that we can achieve the objectives by adopting the new clause without necessarily accepting that the House of Lords could not become an elected body if that were the view of this House in due course. I do not accept the proposition put forward by my hon. Friend the Member for Dover (Charlie Elphicke) because so long as we have a second Chamber, the House of Lords will be the House of Lords—irrespective of whether it is elected.

The question of constitutional statutes has been introduced as a notion, but it is not intrinsic to the argument. What is essential is to ensure that we do not allow the Supreme Court to adjudicate over and above the decisions taken by our Parliament. That is the key issue. Some futile commentators—and, if I may say so, some Members of this House—mislead themselves from time to time by suggesting that sovereignty is not such an important issue. The reason for its importance is very simple: we Members are elected to make decisions, and all the other issues, such as dealing with burdens on business and so forth, stem from that. That explains my view of the European Union, which is that, where necessary, the sovereign Parliament should override through the "notwithstanding" formula to which my hon. Friend the Member for North East Somerset rightly referred and which I have employed on a number of occasions when I have been supported by Conservative Front-Bench Members—for example, when we were in opposition and with respect to the Legislative and Regulatory Reform Act 2006, and on other occasions.

What we need to insist on above all—it cropped up in the previous debate—is that this House on behalf of the electorate represents the democratic process whereby we are voted in to make decisions. We must insist on that at the expense of judicial supremacy. Even though I am the first to say that it is for the courts to interpret legislation, it is not for them to make it. That is the fundamental point. I thoroughly endorse both the sentiments and the wording of the new clause.

Mr Lidington: I thank my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg),who I know takes a strong interest in these important constitutional issues—and he is right to do so. Our short debate has allowed him and other hon. Members to seek a means to entrench the Bill once it reaches the statute book, and to protect it from future attempts at repeal. At the same time, the new clause has been drafted in such a way as to permit my hon. Friend the opportunity to raise broader constitutional questions about the ultimate authority to take decisions and whether that should lie with Parliament or with the judiciary. My hon. Friend cited in particular the leading judgment of Lord Justice Laws, which has been quoted on many occasions during our proceedings on theBill.

I am afraid, however, that although I agree with much of the sentiment that underpins the new clause, I cannot support the new clause for reasons that I shall shortly provide. Let me first explain a little about the Government's interpretation of the new clause and its effect. It would introduce a new category of Bill, which could not be passed under the procedure provided by section 2 of the Parliament Act 1911.

As all hon. Members will be aware, section 2 of the Parliament Act 1911 makes provision under which most public Bills can be enacted ultimately without the approval of the House of Lords. There are, however, two exceptions to the general rule. The first relates to money Bills, which have their own procedure under section 1 of the Parliament Act. The second exception is for what that Act terms

> "a Bill containing any provision to extend the maximum duration of Parliament beyond five years".

[Mr Lidington]

Under the new clause, there would be a third exception: namely, any Bill that sought to amend or repeal what would be provided for in sections 1 to 7 of the European Union Act 2011, which this Bill will become if Parliament agrees to its passing. In practice, this would mean that the legislation could not be either repealed or amended in respect of those sections without the express consent of the House of Lords.

I hope it goes without saying that I fully support the political intention of the new clause to help to ensure that the Act remains on the statute book for a long time to come. As my right hon. Friend the Foreign Secretary said on Second Reading, the Government believe that the Bill should become

> "part of the accepted constitutional framework of this country".—[*Official Report*, 7 December 2010; Vol. 520, c. 197.]

It is right to point out, however, that the Parliament Act 1911 has been amended only once, in 1949. Since then, Parliament has not considered it appropriate to single out any other pieces of legislation—for example, the Acts of Parliament passed to provide for Scottish, Welsh and Northern Irish devolution, the Constitutional Reform and Governance Act 2010 or, indeed, the European Communities Act 1972—for similar special status. Even enthusiastic supporters of the Bill would find it difficult to argue that this piece of legislation should be singled out in this particular way, which is denied to other items of legislation that might generally be accepted to have important constitutional significance.

Mr Cash: Even if my right hon. Friend were right in his general assertions about elements of the Bill, the implications of clause 18, as the European Scrutiny Committee report made clear, puts it into a very special category. Despite our attempts to amend that clause, which were sadly and tragically defeated, the fact remains that clause 18 makes a very significant change to this country's constitutional arrangements. For that reason, the Bill should indeed be put into a different category.

Mr Lidington: I am grateful to my hon. Friend for acknowledging the importance of clause 18. We had a full day's debate on that clause at the start of our Committee proceedings, but I rather think that you would warn me, Mr Hoyle, against recapitulating that debate this evening. It is hard to imagine why a future Parliament would choose to repeal this Act, thereby abolishing the referendum lock and the enhanced control and scrutiny that the Bill provides for Parliament and the British people. It would incur a high political cost for any Government who brought forward such a measure and, indeed, for individual Members of Parliament who were prepared to walk through the Lobbies in its support.

It is an important part of this Government's commitment to rebuilding trust with the British people to make clear what the future arrangements should be. Although it is always possible that a future Government will decide to act differently, I find it hard to imagine that any such future Government would be able to defend taking away from the British people the right to have their say about further changes to the European treaties.

I have further concerns about the impact of the new clause on the long-standing relationship between this House and the House of Lords. It would alter the relationship by expanding the relative powers of the House of Lords. It has never been part of the Government's intentions for this Bill that it should be used to alter that relationship.

Jacob Rees-Mogg: I am grateful to my right hon. Friend, not only for giving way but for taking the new clause so seriously, but I must say to him that the Bill does not really extend the powers of the House of Lords and is not a new category of Act. Both it and the existing protection under the 1911 Act refer exclusively to the voting rights of the British people, which is why I think that they are exactly the same.

7 pm

Mr Lidington: I hear my hon. Friend's argument, but I could quite easily construct another argument. We have enacted other pieces of legislation in recent decades which are of great constitutional significance, which touch on the franchise—for example, the decision by, I believe, the Heath Government to lower the voting age from 21 to 18—and which could have been deemed to fall into a comparable category and to deserve equivalent protection.

This evening my hon. Friend is making a second attempt to persuade Parliament of the case for his proposal. A short while ago, he tabled an amendment to the Fixed-term Parliaments Bill that was very similar to this new clause. Indeed, it may have been identically worded. At the time the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Forest of Dean (Mr Harper), expressed a view to which the Government and I subscribe. The rules governing the relationship between this House and the other place, as laid down in section 2 of the 1911 Act, have been in place for some time, and we do not intend to start changing that relationship.

I suggest to my hon. Friend the Member for North East Somerset that the political problem and the constitutional challenge that he has identified in the House of Lords judgment, namely the evolution within the jurisprudence of the United Kingdom courts of the idea of a distinct category of constitutional statutes which have a special status and which, in particular, cannot be impliedly repealed, should perhaps be addressed in the context of a more general proposal for constitutional reform. As my hon. Friend knows, my right hon. Friend the Deputy Prime Minister is considering the issue of possible reforms of the House of Lords. The best course may be for my hon. Friend to make representations to the Deputy Prime Minister as he considers what is the right way in which to proceed.

During one of the debates on the Fixed-term Parliaments Bill, my hon. Friend said:

> "Our constitution should be safeguarded and preserved; it is not something that should be treated lightly or in an airy-fairy fashion".—[*Official Report*, 18 January 2011; Vol. 521, c. 708.]

I strongly agree with the sentiment that he expressed. That is why it is so important for the House to scrutinise thoroughly the issues raised by his proposal, and that is why I have considered it so carefully.

I welcome the scrutiny that the proposal has undergone, both this evening and during consideration of the Fixed-term Parliaments Bill. However, for the reasons I have given, I do not accept that the new clause is an appropriate way for us to achieve our shared intention. Following the debate on my hon. Friend's similar amendment to the Fixed-term Parliaments Bill, he withdrew the amendment. I sincerely hope that, having heard my arguments this evening, he will be prepared to withdraw his new clause.

Jacob Rees-Mogg: I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

New Clause 3

DECISIONS SUBJECT TO SPECIAL REFERRAL PROCEDURE IN TFEU

'(1) A Minister of the Crown may not permit the United Kingdom's participation in the final adoption of a decision to which this subsection applies unless subsection (3) or (4) is complied with in relation to the draft decision.

(2) The decisions to which subsection (1) applies are—

(a) a decision under the provision of Article 48 of TFEU that permits the adoption of legislative acts in the field of social security;

(b) a decision under the provision of Article 82(2) of TFEU that permits the adoption of directives establishing minimum rules in criminal procedure, unless the decision falls under section 9(4);

(c) a decision under the provision of Article 83(1) of TFEU that permits the adoption of directives establishing minimum rules concerning the definition of criminal offences and sanctions, unless the decision falls under section 9(4);

(d) a decision under the provision of Article 83(2) of TFEU that permits the adoption of directives establishing minimum rules concerning the definition of criminal offences and sanctions.

(3) This subsection is complied with if—

(a) a draft decision is before the Council,

(b) in each House of Parliament a Minister of the Crown moves a motion that the House does not believe the United Kingdom should request the referral of a specified draft decision to the European Council under the provision of Article 48 of TFEU, Article 82(3) of TFEU or Article 83(3) of TFEU, as the case may be, providing for such a request, and

(c) each House agrees to the motion without amendment.

(4) This subsection is complied with if—

(a) a draft decision is before the European Council,

(b) in each House of Parliament a Minister of the Crown moves a motion that the House approves Her Majesty's Government's intention to support the referral of a specified draft decision back to the Council, and

(c) each House agrees to the motion without amendment.'.—*(Chris Heaton-Harris.)*

Brought up, and read the First time.

Chris Heaton-Harris: I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr. Lindsay Hoyle): With this it will be convenient to discuss the following:

New clause 4—*Certain decisions under Article 312 of TFEU requiring approval by Act and by referendum*—

'(1) A Minister of the Crown may not vote in favour of or otherwise support a decision to which this subsection applies unless—

(a) the draft decision is approved by Act of Parliament, and

(b) the referendum condition is met.

(2) The referendum condition is that set out in section 3(2), with references to a decision being read for the purposes of subsection (1) as references to a draft decision.

(3) Subject to subsection (6), subsection (1) applies to a decision under Article 312(2) of TFEU to adopt a regulation laying down the first multiannual financial framework of the European Union for the period following 2013, where that multiannual financial framework would include—

(a) an initial annual ceiling on total EU payment appropriations that was higher than the ceiling on total EU payment appropriations for 2013 in the multiannual financial framework covering 2013, taking account of an adjustment of the 2013 ceiling for inflation,

(b) subsequent annual ceilings on total EU payment appropriations, some or all of which increased from the previous year, or could increase from the previous year without revision of the multiannual financial framework through the procedure laid down in Article 312(2) of TFEU, by more than an adjustment for inflation,

(c) an initial annual ceiling on total EU commitment appropriations that was not lower than the ceiling on total EU commitment appropriations for 2013 in the multiannual financial framework covering 2013, taking account of an adjustment of the 2013 ceiling for inflation, or

(d) subsequent annual ceilings on total EU commitment appropriations, some or all of which were at least as high as the previous year's ceiling adjusted for inflation, or could be at least as high as the previous year's ceiling adjusted for inflation without revision of the multiannual financial framework through the procedure laid down in Article 312(2) of TFEU.

(4) For the purposes of subsection (3), the only relevant adjustments for inflation are those used by the EU for the figures involved.

(5) Subject to subsection (6), subsection (1) also applies to a decision under Article 312(2) of TFEU to adopt a regulation revising the first multiannual financial framework of the European Union for the period following 2013, where that regulation would cause the multiannual financial framework to include provision identified in subsection (3) when the framework had not done so before.

(6) Inclusion of provision to enable EU payment or commitment appropriations to be reallocated between the annual ceilings of the same type of appropriation in a multiannual financial framework does not of itself cause a regulation laying down or revising a multiannual financial framework to fall under subsection (1).'.

New clause 5—*Certain decisions under Article 311 of TFEU*—

'(1) A Minister of the Crown may not confirm the approval by the United Kingdom of a decision to which this subsection applies unless—

(a) the decision is approved by Act of Parliament, and

(b) the referendum condition or the exemption condition is met.

(2) Subsection (1) applies to a decision under the third paragraph of Article 311 of TFEU to adopt a decision laying down provisions relating to the system of own resources of the European Union, where the decision adopted contains provision for payment to the EU as own resources, without the need for a further decision under the third paragraph of Article 311 of TFEU, of some or all of the revenues from a tax or other levy on natural or non-State legal persons that is established or which may be established by EU law (including by that decision).

(3) The referendum condition is that set out in section 3(2).

(4) Subject to subsection (5), the exemption condition is that the Act providing for the approval of the decision states that—

(a) under the provisions relating to the system of own resources of the European Union in force at that time, revenues from the tax or other levy referred to in subsection (2), or from a tax or other levy that is very similar and which is established or may be established by EU law, are already paid in whole or part to the EU as own resources or may be paid in whole or part to the EU as own resources without a further decision under the third paragraph of Article 311 of TFEU, and

(b) the adopted decision to which the decision relates does not contain provision that is likely to require or allow a significant increase in the amount or proportion of revenue obtained in the United Kingdom in any one year from the tax or other levy referred to in subsection (2) that is or may be paid to the EU as own resources, compared to that required or allowed by the provisions relating to the system of own resources of the European Union in force at that time.

(5) Where a statement as per subsection 4(a) is made that revenues from a very similar tax or other levy to the tax or other levy referred to in subsection (2) are or may already be paid in whole or part to the EU as own resources, the statement for the purposes of subsection 4(b) may state that the adopted decision to which the decision relates does not contain provision that is likely to require or allow to be paid to the EU as own resources an amount or proportion of revenue obtained in the United Kingdom in any one year from the tax or other levy referred to in subsection (2) that is significantly greater than the amount or proportion of revenue obtained in the United Kingdom in any one year from the very similar tax or other levy required or allowed to be paid to the EU as own resources by the provisions relating to the system of own resources of the European Union in force at that time.'.

Amendment 1, page 4, line 8, clause 4, at end insert

'except where any such provision substantially affects all or any of the political, economic, fiscal, social or constitutional relationship between the United Kingdom and other Member States of the European Union.'.

Amendment 6, page 4, line 43, clause 6, at end insert—

'(2A) A Minister of the Crown may not confirm the approval by the United Kingdom of a decision under the provision of Article 218(8) of TFEU for the accession of the European Union to the European Convention for the Protection of Human Rights and Fundamental Freedoms in accordance with Article 6(2) of TEU unless—

(a) the decision is approved by Act of Parliament, and

(b) the referendum condition is met.'.

Amendment 8, page 6, line 21, clause 7, after 'Union', insert

', unless the decision falls under section (Certain decisions under Article 311 of TFEU)'.

Amendment 7, page 6, line 39, at end add—

'(da) a decision under Article 312(2) of TFEU to adopt a regulation laying down or revising the multiannual financial framework of the European Union, unless the decision falls under section (Certain decisions under Article 312 of TFEU requiring approval by Act and by referendum).'.

Amendment 4, page 8, line 22, clause 9, at end insert—

'(4A) For decisions under a provision falling within either paragraph (b) or (c) of subsection (2) that are subject to qualified majority voting, otherwise supporting a decision includes, for the purposes of subsection (4), permitting the United Kingdom's participation in the final adoption of a decision.'.

Government amendment 3.

Amendment 5, page 9, line 3, clause 10, leave out subsection (2).

Chris Heaton-Harris: I should begin by apologising to the House for being so keen to table a number of new clauses and amendments at this late stage. It is not as if there is anything better going on in my life. It is not that Arsenal are playing Barcelona tonight, and I could have been watching that. Actually, as a referee I do not like Arsenal that much, but I could have been refereeing the football game between the Press Lobby against the Crown Prosecution Service—and I have a family, and there is a dinner that I could have gone too.

However, I did want to point out to the Minister that there are some fairly big gaps in the Bill, which came to my notice rather later than they should have. New clause 3 concerns the emergency brake, especially in the context of criminal justice matters. New clause 4 concerns the post-2013 financial framework. New clause 5 concerns own resources decisions and EU taxes. I have also tabled a range of complementary amendments.

New clause 3 deserves some explanation. Certain European laws proposed under the treaty on the functioning of the European Union are subject to the emergency brake procedure. Such proposals are adopted by qualified majority voting in the Council, and relate to social security and procedural and substantive criminal law. When an EU law on social security is proposed under article 48 of the TFEU, a member state can declare that the proposal

"would affect important aspects of its social security system, including its scope, cost or financial structure, or would affect the financial balance of that system",

and, having done so, can request that the proposal be referred to the European Council. The proposal is then so referred, and the Council suspends its consideration of the measure.

When an EU law on procedural or substantive criminal law is proposed under article 82(2) or article 83 and a member state considers that the proposal

"would affect fundamental aspects of its criminal justice system",

that member state may request that the proposal be referred to the European Council. The proposal is then so referred, and the Council suspends its consideration of the measure. A member state's ability to stop the adoption of a proposal subject to qualified majority voting in that way is known as the emergency brake.

After the proposal has been referred to the European Council, the Council may refer the proposal back to the other Council, which then resumes consideration of the measure, taking decisions by qualified majority voting. However, there must be a consensus in the European Council for the proposal to be referred back. That means that any member state can block the proposal. Under United Kingdom law, the decision on whether to invoke the emergency brake lies solely with the Government. Parliament cannot insist that this happen, and the Bill, alas, will not change that. In contrast, the German Parliament can oblige the German Government to press the emergency brake on any of those matters. New clause 3 would cover all EU proposals subject to the emergency brake except for the proposals that would fall under clause 9(4) of the Bill. It would, however, require the final draft of the proposals to go before both Houses of Parliament, either of which could require that the emergency brake be pressed.

Back in January, in response to a letter that I had sent dealing with various aspects of the Bill, my hon. Friend the Minister for Europe wrote to me that there was nothing to prevent a member state from pressing the emergency brake repeatedly on a proposal. That means that, should Parliament remain dissatisfied with the proposal after it has been referred to the Council by the European Council following a use of the emergency brake, Parliament could insist that the brake be pressed again.

Subsection (4) of new clause 3 is intended to accommodate the possible scenario in which the European Council seeks to come to a consensus on a final draft of the proposal, which would be referred back to the Council for formal adoption straight away. It seems to make sense that the Government should be able to ask Parliament at that point whether the final proposal is acceptable, rather than the Government's simply agreeing to refer it back to the Council and not insisting that the emergency brake be triggered.

I have been discussing new clause 4 with the Minister's officials, and have been told that its provisions are probably covered in the Bill. A handful of proposals subject to the emergency brake would appear to be covered by clause 9(4). I would appreciate the Minister's confirming that, at the end of a convoluted process—during which the British Government might know that a proposal under QMV is to be adopted so they do not vote for it or abstain, but vote against—we in this Parliament could still have our foot firmly on the emergency brake.

Steve Baker: I admire my hon. Friend's tenacity, but I am only a simple engineer, so may I confirm that he has said that this House is unable to assert its sovereignty in relation to criminal justice?

Chris Heaton-Harris: I was not asserting that, although we have given away lots of justice and home affairs powers, and I do not think many Members or many of the British people fully appreciate how much we have potentially given away. This is an important point. Although the Bill has many problems, the referendum lock would ensure that we do not go down such a route in respect of the European public prosecutor and other matters to do with the criminal justice system. The measure I am talking about came in under the Lisbon treaty. No country has pressed the emergency brake yet. I would like to think that the Government would trust Parliament sufficiently for Parliament to have its foot on that brake, rather than for the Government alone to have their foot on it.

Kelvin Hopkins (Luton North) (Lab): I find the hon. Gentleman's arguments very persuasive. At least we, as well as Germany, could stand up and be counted. If it is good enough for the Germans, it should be good enough for us. I would like such a provision very much indeed, but is not the worry for our Government in particular that our Parliament is especially likely to exercise that power over Ministers going to the European Council? Is not their concern that we might actually exercise our right to put our foot on the brake?

Chris Heaton-Harris: Quite possibly, but that is the essence of democracy, and one of the reasons we were put here in the first place is to keep check if not on what our own Government are doing, at least on what institutions to which we are giving powers might be doing with them. I would like the Minister to reiterate the comments I have heard from his officials about the emergency brake and new clause 4 possibly not being needed.

Mr Geoffrey Cox (Torridge and West Devon) (Con): Why has my hon. Friend chosen to put a veto in the hands of the other place? I can understand why the matter might be subject to a vote of this House, but why also to a vote in the other place?

Chris Heaton-Harris: Well, that sounded better to me when I was writing it down. It seemed perfectly logical for this to be a matter for both Houses, and the other place does scrutinise European matters, as we have discussed. It has a depth of expertise on European matters, although it might be completely wrong in its conclusions.

Jacob Rees-Mogg: The House of Lords has an absolute veto on statutory instruments and many other things. It is only legislation introduced in the House of Commons on which the Lords does not have a veto. It would therefore have been illogical to have excluded it.

Chris Heaton-Harris: I could not have put it better myself.

Moving swiftly on, new clause 4 addresses the post-2013 financial framework. We are about to enter into very important negotiations about how much money we give to the European institutions over the next financial framework—that for 2014 to 2020. We have had many assurances from the Government that they will seek a very tough settlement, and I thought it would be wise to encapsulate in a new clause this Parliament's view of a tough settlement. I thought it might be a good idea to spell out the situation if we do not get a freeze on the amount of money we are spending per year in that financial framework at EU level—or indeed a cut, which I hope we might be angling for. I wanted to make it clear that if we failed miserably in our negotiations and had to accept—perhaps for reasons of diplomacy, as I am unsure whether we would have to accept this as we have a veto on these matters—a rise in the amount of money that could be spent in that financial framework, that would also become part of the Bill. In fact, I would like that to be put to a referendum so that people can vote on whether we should give a lot more money to institutions that we do not completely trust. That is the main purpose of new clause 4. I hope its being moved will give the Minister another chance to state on the record exactly what our position will be going into negotiations on the financial framework post-2013.

7.15 pm

New clause 5 addresses a concern that many people share. In September, the President of the European Commission, President Barroso, started reigniting the flame on what is called in Europe own resources decisions, but which is essentially a European tax. I strongly believe that any tax imposed at the European level should be subject to a vote of the British people. That is not only a massive transfer of sovereignty, but it changes a fundamental relationship between us and the EU.

Steve Baker (Wycombe) (Con): Does my hon. Friend not agree, however, that the fact of the situation in which we find ourselves is that the British people have no say about their EU budget contribution?

Chris Heaton-Harris: Well, they do have a say through the Government they elect, and the Government do negotiate these things in the multi-annual packages. As I said in a debate on a previous new clause, this is one way of making sure that if the Government decided it was practical for us to have a rise in the amount of money being spent in the European institutions, the people would have a say on how much it would be. I accept that own resources is covered in some ways in the Bill, but I thought I would phrase the new clause in such a way that it would give the Minister a chance to tell the House exactly what the British Government's views are on matters of taxation coming in at the European level. My new clause would at least introduce the principle of referendums on own resources decisions bringing about substantial changes in EU taxation, and require future Governments to go through a more exacting process to agree to such changes, which would expend significant political capital if they were proposing something clearly out of line with what the British people want.

The new clauses address the crux of the debate, which is the scrutiny of European matters. We in this place do not do scrutiny half as well as we should. On Third Reading, I hope to speak about how we might improve scrutiny and what the Government should do.

Michael Connarty: I want to speak briefly in support of new clauses 3, 4 and 5. They get to the meat of the discussion we should have been having with the Government before they introduced this silly Bill. It is silly because it is never likely to be used, as there are so many ways that a Government Minister of any political complexion who wishes to continue with the European project can get measures through Parliament, such as by saying that they are insignificant or that it is not necessary to have an Act of Parliament. Therefore, I do not think that the Bill's measures will be used a great deal. It is based on the premise that the Government want to put in place the measures they introduce, and presumably a Government of any complexion will know that they need a majority in the House in order to introduce any measure that they might decide is significant enough to be dealt with by a referendum or an Act of Parliament.

In reality, therefore, the Bill is a bit of a public relations exercise. But the new clauses are not. They would address the things that are wrong at the moment with the process of dealing with the emergency brake. It should be in place and it should be used properly in a way that gives a Government a chance to speak on behalf of their Parliament and their people in the Council in a fundamental way. New clauses 3 and 4 are very attractive, because would give teeth and meat—a bit of beef—to a Bill that lacks that completely. The Bill is a list of things which might be on the mind of the body politic and perhaps the anti-European press, but it does not have any substance. The new clauses have substance, as they lay out clearly how the brake should be used.

There is absolutely no doubt that new clause 5 is necessary. It deals with a tax and we should have had a similar clause, somewhere along the line, on the giving away of our social security rights. It is clear that people who come to this country to work see social security as an extra payment that does not come out of the pocket of their employer. When someone leaves their family back in Poland, where they still have their house, to come to this country to work, they get all the benefits required under our social security legislation—tax credits, child tax credits and so on—which they often send back home. They also often end up with a council house, because they then bring their family to this country and live in overcrowded conditions, and they leave their house back there being paid for by the British taxpayer. All those things might have been examined seriously if we had had a provision such as new clause 5 to deal with how social security would transfer.

Clearly the own resources arrangement is a tax and will be about creating a European tax as a substitute for VAT. I have been at conferences and seminars called by the Commission in other countries to press that point heavily, and thank goodness Treasury officials were there to argue hard against such an arrangement. We might say that it was one of the three red lines, because we said that tax was a red line that would not be crossed. However, the own resources debate will clearly be pressed again and again by the Commission, which will try to convince us that the proposed arrangement is not a breach of one of those red lines. New clause 5 would put up a nice barrier that we would have to cross purposefully and decisively if we wanted to move away from that red line. I commend the hon. Member for Daventry (Chris Heaton-Harris) for his tenacity, even at this late stage, in tabling well thought-out new clauses. I do not think that they come from a Eurosceptic, anti-European view; they would just be common sense and make good legislation.

Mr Cash: I wish to speak about my amendment 1, because it is important not only in principle, but in practice as we move forward on the negotiations taking place on two main issues. The first is European economic governance as a whole and the other is the, as yet, unformulated competitiveness package, which is coming up in the lift and being promoted vigorously in some other parts of the European Union.

The issue turns on the Bill's proposal for the circumstances in which a treaty or an article 48(6) decision attracts a referendum. Under clause 4(4)(b), we would not have a referendum where

> "the making of any provision that applies only to member States other than the United Kingdom"

came into play. It might sound obvious that we would not want to have a referendum if it did not affect us but, unfortunately, that rather innocuous wording raises a substantial and profound problem.

I remember Chancellor Kohl talking in the 1990s about the need to move forward with a two-tier Europe and he used the analogy of a convoy. The Minister for Europe is doubtless aware of what is coming up in the lift, but he should also be very worried about it because it is one of the greatest and most serious problems that we face. Many people, including distinguished commentators from the *Financial Times* and other newspapers, take an interest in these matters and get to the root of what is going on in Europe at the moment. Rather than merely having a convoy of ships travelling at different speeds with the slowest eventually being required to catch up—that was Chancellor Kohl's analogy—these proposals on European economic governance are the equivalent of having an aircraft carrier of the eurozone and a rowing boat of the other member states that are left behind.

I do not believe for one minute that we should be in any way trapped or lured—to use the Prime Minister's words—into engaging in the kind of European economic governance proposals that apply to the eurozone or to the competitiveness package on their own merits. Given the record of the European Union, neither has worked, is likely to work or will work. But there is a danger in our acquiescing in allowing the other member states to go ahead by participating in the given procedure, be it the ordinary legislative procedure, the special procedure, the special purposes vehicle or something that arises by virtue of a treaty. The key test is whether it

> "substantially affects all or any of the political, economic, fiscal, social or constitutional relationship between the United Kingdom and other Member States of the European Union."

That is how my amendment 1 puts it.

If something falls into that category, as I firmly believe these proposals do, it clearly affects our fundamental relationship with the European Union in such a way as to require a referendum. We went through the arguments about the constitutional treaty and all that followed from it, and we went through the subsequent arguments about the Lisbon treaty and insisted on a referendum on it, because these things affected this fundamental relationship. I am talking about the Conservative party, rather than the coalition, which is quite a different thing. The basis on which we presented our argument for a referendum was that the treaty was creating a fundamental difference in the relationship between the United Kingdom and the European Union.

I cannot think of anything more likely to demonstrate that fundamental difference than the implementation of these procedures, irrespective of the legal niceties of defining the transfer of powers or competences—I could argue that there is, but that is not the issue I am raising. I am saying that the key question is the substance of what is being done, not merely the choice of specific words employed—not in the Bill, but merely in the coalition agreement—about the transfer of powers or competences. I defy anybody to find the words in the Bill which say that wherever there is a transfer of power or competence there will be a referendum. That is not what the Bill says; it chooses a list of circumstances, specifically but not generically, where a referendum will be required. That is a fatal flaw in the Bill, but the real problem is the substance of what is being decided in a given treaty or article 48(6) arrangement. To my mind, the creation of a two-tier Europe, with the United Kingdom bound into it by acquiescence, puts us at risk because it creates the aircraft carrier of Europe and we are left in the rowing boat.

7.30 pm

Ms Louise Bagshawe (Corby) (Con): I admit that, for the first time, I find myself mystified by my hon. Friend's arguments. Surely, the point about the Lisbon treaty was that it altered the relationship between the United Kingdom and the European Union in a most disadvantageous way for the United Kingdom. In the situation that he describes, where the Eurocrat nations are heading off at jet speed to unite themselves, I am quite content to be in the rowing boat, and I would prefer it if the rowing boat were being paddled very fast in the other direction. I cannot understand why we would need a referendum in those circumstances.

Mr Cash: The answer is that my hon. Friend completely misunderstands the nature of the European Union. That is the problem in a nutshell. I am afraid that she does not understand—I have to put this to her very bluntly—that the creation of a two-tier Europe on such disadvantageous terms would be very damaging to us. If, however, an association of nation states were to decide to go in one direction, while we retained our independence and did not acquiesce in treaty or other procedural arrangements that bound us into that association, I would be content, but that is not what is happening.

What is happening is that we are being actively required to become and are acquiescing in becoming part of a new treaty arrangement that affects us all—all member states as a whole—but they get their solidarity and concentration of power with the new arrangements that they enter into; we are left within the legal framework, subject to the European Court of Justice and all that goes with it, without being party in practice to the arrangements that they devise. That is why the social and employment legislation, the fiscal arrangements and all the rest of it will have a disadvantageous effect on us if they proceed with those arrangements.

My right hon. Friend the Minister may say that the proposed arrangements will be purely intergovernmental. We had a bit of a discussion about that in the debate on an earlier proposal, but that is a far too simplistic way to put it because, as I pointed out in an intervention on the right hon. Member for Rotherham (Mr MacShane), the proposals of the European conclusions of 4 February specifically state:

> "Building on the new economic governance framework, Heads of State or government will take further steps"—

I now refer to an answer that I received from the Financial Secretary, who put a lot of emphasis on this—

> "to achieve a new quality of economic policy coordination in the euro area to improve competitiveness".

So they are creating a new kind of co-ordinated arrangement. It continues:

> "without undermining the single market."

I believe that my right hon. Friend the Prime Minister was very insistent on including those words, so that the proposals would not put us at a disadvantage. My argument is that, whether or not those words are included, they will do so.

The proposals then go on to say—this is all part of the manner in which the system is being devised, which I regard as extremely dangerous and implausible—

> "Non-euro members will be invited to participate in the coordination."

It then says in respect of the President of the European Commission:

> "He will ensure that the Heads of State or government of the interested, non-euro area Member States are duly involved in the process."

In other words, the appearance is given, contrary to what the right hon. Member for Rotherham said—that we would not be party to those arrangements—that in practice this is a perfect example of the two-tier system in operation. It requires some careful analysis, but it does us no favours whatsoever.

Mr Nigel Dodds (Belfast North) (DUP): The hon. Gentleman is putting the searchlight on a very important and difficult issue. It is vital that this matter is highlighted.

[Mr Nigel Dodds]

To continue the aircraft carrier analogy, if we are in the rowing boat, the trouble is that we are not able to row in a different direction; we are inevitably carried along in the wake even though we may be in a different place. That has happened in the past, and it is likely to happen in the future.

Mr Cash: Indeed. As my hon. Friend the Member for Daventry (Chris Heaton-Harris) pointed out, the aircraft carrier is owned by the Germans and the French. That is all part of the problem.

Let us come to the crunch: the reality is that the creation of a German or Franco-German dominated Europe lies at the heart of this. That has been one of the major concerns that has permeated the Government's thinking for a very long time, right back to when I was advancing similar arguments about the Maastricht treaty. In fact, it was one of the reasons why I took such exception to the treaty, not only because it created European Government, but because, as I said in several books and pamphlets at the time, it was creating a German Europe as well. We need not engage in shock, horror anxiety about that, but it is part of a new dimension that will now have a significant and very damaging effect on the United Kingdom. For that reason, we should not acquiesce in these proposals; we should do everything to defeat them.

Ian Swales (Redcar) (LD): I give due credence to the hon. Gentleman for all his knowledge on the issue, but can he think of an historical precedent where the citizens of one country have had referendum rights over a treaty to which their country is not a party?

Mr Cash: That is a very interesting question. Conversely, there have been three referendums—one in Denmark, one in France and another in Ireland—that would have an impact on us and people voted against, but the process of European integration carried on notwithstanding those results. In fact, to use an analogy, we got the rough end because, although the referendums went the way that some of us wanted, they made no difference and integration carried on anyway.

We need to understand perhaps that these proposals are, in fact, extremely dangerous. I suspect that my right hon. Friend the Minister will argue that, although we are being denied a referendum, the proposal will require approval by the United Kingdom Parliament in due course. The essence of my case is that it will have such a profound impact on the United Kingdom, by creating a two-tier Europe, that a referendum would be required because it involves a fundamental change in the relationship between the United Kingdom and the European Union.

I should like to say many other things about the proposal—perhaps I will have an opportunity to do so on Third Reading—but I have described its essence. This is a very dangerous move towards a German Europe, or a Franco-German Europe—it does not matter which way we look at it—and it is a fundamental strategic mistake. I see the Foreign Secretary, sitting on the Front Bench. He has bought this argument. I warned him before the general election that we should not enter this landscape. I am glad that he nods his head, because I was explicit about that at the time.

Finally, I recall the words of Thomas Mann who proposed what I still believe to be one of the great questions of our time, as yet unresolved, but probably resolved by these proposals of a two-tier Europe along the lines of Chancellor Kohl's analogy of a convoy, and ask, "What will it be—a European Germany or a German Europe?"

Mr Lidington: We are confronted with a cornucopia of amendments and new clauses covering a number of important but disparate subjects. I shall try, in the time available to me, to do justice to them, but I apologise to you, Mr Deputy Speaker, and to the House in advance should I not have time adequately to deal with each new clause and amendment.

My hon. Friend the Member for Daventry (Chris Heaton-Harris) tabled new clause 3, which is grouped with amendment 4. As he said, the new clause deals with the "emergency brake" procedures in the EU treaties. It is important to note that we cannot equate the emergency brake procedure with a treaty change or with the exercise of a ratchet clause, because those relate, rather, to controls on the exercise or use of existing competences to adopt European secondary legislation such as directives or regulations in the areas concerned. His new clause would enhance parliamentary control over the use of some existing EU competences. Subsections (3) and (4) would add a requirement for a motion to be passed by both Houses before the UK could decide not to invoke the emergency brakes that can be applied to proposals for measures under all four treaty provisions specified in the new clause, and also before Britain could put an end to the emergency brake procedure by agreeing in the European Council to refer the issue back to the Council to continue with negotiations under the ordinary legislative procedure.

As my hon. Friend said, it is our view that, even were the European Council to refer a matter back to the Council to continue negotiations, member states would still be free to pull the emergency brake again if they saw fit. As consensus is required on emergency brakes, and if parliamentary approval were not granted, the result would be that the UK was effectively able to block EU decision making in those areas, although in respect of certain measures, as he will understand, other member states could have recourse to use of the enhanced co-operation procedures without the UK's participation where that was permitted under the treaties.

Kelvin Hopkins: I followed the case made by the hon. Member for Daventry (Chris Heaton-Harris) fairly carefully, and I understood it to mean that the new clause would give parliamentary backing of or control over Ministers when they go to the Council. Would that not strengthen the position of Parliament relative to the EU and put a bit of stiffening in Ministers when they go to negotiate?

Mr Lidington: The hon. Gentleman has the right intentions, but the new clause would not achieve quite the purpose that he and my hon. Friend the Member for Daventry intend. It would have some unintended and unwanted consequences as well. Let me explain why I consider that to be the case.

As I said at the outset, any proposals under the four treaty articles covered by the new clause would not constitute a transfer of power or competence from the UK to the EU, because the EU's ability to act in those ways is already provided for by the treaties. Those decisions are not what the Government consider to be ratchet clauses, so we do not believe that such measures should, as a matter of policy, be subject to the controls provided for within the measure.

Furthermore, proposals for EU secondary legislation under articles 82(2) and 83 fall within the scope of our opt-in to title V under protocol 21 to the Lisbon treaty. We have already undertaken to review the procedures for parliamentary scrutiny of the use of the opt-in to ensure that Parliament has an increased say. I spelled that out, in outline, in my written ministerial statement of 20 January.

For the future, we have made it clear in clause 9 that the use of the ratchet clauses in some of those articles should ensure that any British participation in such measures by virtue of our opt-in should be preceded by the approval of both Houses of Parliament, and that our agreement to the final measures proposed should be preceded by parliamentary approval by Act of Parliament. We believe that that represents a significant step forward in enhancing the controls of the House on those justice and home affairs ratchet clauses while maintaining the same proportionate and sustainable approach that we have sought to take with all other parts of the Bill.

7.45 pm

Furthermore, since three of the four treaty provisions that are the subject of the new clause are in the area of freedom, security and justice, any such decisions by a British Government to opt in to proposals for EU legislation would themselves be subject to the UK's opt-in protocol. One way in which the Bill will increase public accountability is by providing that any proposed treaty change to give up our freedom not to take part in justice and home affairs by removing our opt-in protocol would require a referendum first.

I am not arguing that the current arrangements for scrutiny are perfect—I think I made that clear earlier in our proceedings—nor am I arguing that the new clause is unnecessary for that reason. In my written statement of 20 January, I outlined the proposals for further enhancements of parliamentary scrutiny arrangements for all areas of freedom, security and justice opt-ins. I will not go into detail at this stage—I think that most Members of the House who are present are familiar with the content of that written statement—but if the new clause were adopted, in addition to the enhanced security measures on JHA that I proposed in January, there would be a practical implication: that in some cases Parliament would be required to look at the same issue more than once, first, when considering whether to opt in to a measure under one of those legal bases, then when considering whether to apply the emergency brake in each case. There would even be the possibility of a third examination of the same measure if the emergency brake provisions were to be used by the UK, or indeed any other member state, and there was then agreement at the European Council to refer the matter back to the Council of Ministers for the negotiations to continue based on the ordinary legislative procedure. I simply do not think that that multiplicity of debates and votes in Parliament would be a good use of limited parliamentary time.

The tests set for the emergency brake in the treaties are quite high. For that reason, we should hesitate before agreeing to a new clause that would require a mandatory parliamentary procedure for any of the measures covered by the four articles that it mentions. The test incorporated in article 48 of the treaty is that the emergency brake can be invoked where the measure

"would affect important aspects of its"—

meaning a member state's—

"social security system".

Under articles 82 and 83, the test is whether the measure

"would affect fundamental aspects of"

a member state's

"criminal justice system".

Those are high bars to leap, but it is important to note that it is for the member state—and the member state alone, not anyone else—to decide whether that test should be met. However, under the new clause, parliamentary approval would be needed before a British Government could consider whether the emergency brake should be used for any proposal for a measure under any of the treaty provisions that it specifies, no matter how small its potential effect on the UK.

For example, co-ordination regulations are amended regularly under article 48 of the treaty on the functioning of the European Union to take account of changes in the various social security systems of member states. Many of those amendments simply do not have any practical effect in the UK—for example, a change in the name of a Dutch benefit or an update of a reference to German national legislation.

I do not think that that is what my hon. Friend the Member for Daventry intends, but the new clause would result in both Houses of Parliament being obliged to consider whether it was appropriate to use the emergency brake in respect of an amendment to such co-ordination regulations in respect of other member states' national social security systems. I simply do not think that that is a sensible policy to adopt.

Amendment 4, which was also tabled by my hon. Friend, concerns a situation where in the future the UK might wish to take part in a measure under article 82(2)(d) or article 83(1) proposed following the use of the ratchet clauses in those treaty articles, and decided by qualified majority voting. The amendment would ensure that we could not participate in such a measure unless Parliament had given its approval to do so through an Act of Parliament.

Clause 9 already provides for the use of these two ratchet clauses to be subject to the two-stage parliamentary approval procedure. First, a motion must be carried in both Houses unamended before Britain could opt in to a proposal to use either ratchet. Clause 9 then requires approval in the form of an Act of Parliament before we could agree formally to the decision in Council. I understand my hon. Friend's concern, which is that once the ratchet had been deployed and the UK had opted in to a subsequent measure already subject to QMV, we would be bound by those measures even if the final proposal were not considered desirable by the Government.

However, I am concerned that the amendment may not deliver the result that my hon. Friend intends to achieve. Instead, the provisions in the Bill and in the package of measures that I outlined in January represent a more effective solution. First, if the UK formed part of a blocking minority preventing adoption of the measure, we could be ejected from the measure and other member states could proceed anyway without British participation, under the terms of article 3(2) of our opt-in protocol. This, as with all negotiations, increases the importance of effective UK participation in the negotiation and the development of a robust negotiating position with like-minded member states.

Secondly, both the treaty articles mentioned in the amendment make provision for an emergency brake procedure. So if we objected to the proposed measure on the grounds that it would affect fundamental aspects of our criminal justice system, we would be able to request that the measure be referred to the European Council. That would cause the suspension of the ordinary legislative procedure.

We recognise that the emergency brake must be invoked sparingly, and only if it meets the test laid down in the treaty that it "affects fundamental principles" of the United Kingdom's criminal justice system. The emergency brake would not therefore be appropriate if its use were simply designed to ensure that the UK would not be bound by a measure that was subject to QMV and had been negotiated by others, and which the UK Government decided they wished to opt in to at a later date.

Thirdly—I do not want to labour the point again and again—I proposed on 20 January strengthened arrangements for parliamentary scrutiny of justice and home affairs matters. These provide a means by which to ensure much more intensive parliamentary scrutiny of the sort of measures that my hon. Friend has in mind, and to ensure that Ministers can be held to account and obliged to answer to parliamentary opinion in a debate and, if Parliament so wishes, a vote on the policy that they wish to adopt.

Lastly, as my hon. Friend knows, where the UK's participation in a subsequent measure would depend on a post-adoption opt-in to one of the JHA ratchet clauses, or in other words in those cases where we had not yet opted in to the corresponding ratchet clause, the provisions in clause 9 ensure that an Act of Parliament would be required before the UK could participate in the subsequent measure. This would ensure that no Government could participate in a measure drawing upon a ratchet clause without having first to seek parliamentary approval for the ratchet clause itself. However, as the requirement for primary legislation would not guarantee that the UK could not remain bound by any subsequent measures subject to QMV after we had opted in, it does not seem sensible to legislate on this basis. I therefore urge my hon. Friend to withdraw the amendment.

New clause 4 addresses the issue of the European Union budget. The Government give high priority to budgetary discipline and seek, with Germany, France, Finland and the Netherlands in particular, to ensure that the European Union budget should grow by no more than inflation in the next financial perspective. The Prime Minister, and the entire Government, consider that to be of the highest priority. I fear that the new clause as drafted would make it more difficult to achieve our budgetary objectives. It would hinder our work in a number of ways.

First, new clause 4 is more restrictive than the position set out in the joint letter from my right hon. Friend the Prime Minister and the leaders of the other countries that I have mentioned. This is because new clause 4 rules out growth above inflation in all areas of EU spending. Negotiations on the next financial perspective will be complicated, long and difficult. We will need flexibility to shape various elements of the EU budget below the lower ceiling for overall spending that we aim to achieve, and to build alliances with other budget-disciplined allies. The new clause would place severe constraints on our ability to build such alliances. That in turn would risk isolating the UK in future negotiations and make it harder for us to achieve our overall objective.

Mr Cash: Will the Minister give way?

Mr Lidington: If my hon. Friend will forgive me, I want to reply to my hon. Friend the Member for Daventry.

Another example of the lack of flexibility in new clause 4 relates to the variation in payments from year to year. The December letter left some scope for real variation in payments over the next financial perspective, provided that payments over the whole period were frozen in real terms. The new clause would prevent any payments variations, but such variations are a natural consequence of how the financial framework works. For example, a commitment of €100 in 2005 might lead to a payment of €20 in 2006 and €80 in 2007. That is because commitments made in one year do not translate into uniform payments over subsequent years.

We want to cut wasteful EU spending, not just to reduce the overall size of the EU budget, but to free up some resources to improve the value for money that we and other member states get from European Union spending, and to support activities such as boosting economic growth and competitiveness. We would like to see work done on improving the way in which the EU budget supports economic growth and competitiveness via the Europe 2020 strategy, subject to judicious selection of the most appropriate policy instruments. We want the EU budget to enhance security, via an active role for the EU as a global player. This could mean increases in spending under those headings, but we would insist on those being counterbalanced by reductions under other headings, all within our overall objective of restricting any increase in the EU budget to inflation.

Paradoxically, the new clause might force a referendum on the next financial framework exactly because we had successfully achieved our reform agenda within the constraints of a very tight limit on the size of the budget overall.

New clause 4 and the associated amendment 7 would hamper our objectives of driving down the overall EU budget and improving the value for money that it provides. I therefore urge my hon. Friends to withdraw those amendments.

New clause 5 is about taxes. The measures proposed in the new clause address matters that already fall within European Union competence.

Mr Cash: Will the Minister attempt, even in the last 30 seconds, to say whether he accepts the principle that lies behind my amendment 1? So far he has not even touched on it.

Mr Lidington: We debated that issue at some length in Committee. My position and that of the Government remain that it is the sovereign right of member states to decide to agree treaties which affect them. What we are concerned about in the United Kingdom is defending the right of the British people to have a lock on anything that transfers powers away from this place to European Union institutions, and not to interfere with what other Governments decide independently that they wish to do.

Chris Heaton-Harris: I beg to ask leave to withdraw the motion.

Clause, by leave, withdrawn.

8 pm

Proceedings interrupted (Programme Order, 24 January).

Mr Deputy Speaker (Mr Lindsay Hoyle): Does the hon. Member for Stone (Mr Cash) wish to move his amendment formally?

Mr Cash: I will not move the amendment, but I do not agree with what the Minister has just said.

The Deputy Speaker put forthwith the Question necessary for the disposal of the business to be concluded at that time (Standing Order No. 83E).

Clause 10

PARLIAMENTARY CONTROL OF CERTAIN DECISIONS NOT REQUIRING APPROVAL BY ACT

Amendment made: 3, page 9, line 2, at end insert—

'(1A) A Minister of the Crown may not vote in favour of or otherwise support a decision to which this subsection applies unless Parliamentary approval has been given in accordance with this section.

(1B) Subsection (1A) applies to a decision under Article 48(7) of TEU which in relation to a provision of TFEU applies the ordinary legislative procedure in place of a special legislative procedure not requiring the Council to act unanimously.'—*(Mr Lidington.)*

Third Reading

8 pm

The Secretary of State for Foreign and Commonwealth Affairs (Mr William Hague): I beg to move, That the Bill be now read the Third time.

I begin by thanking the many hon. Members who have participated in the very extensive debates on the Bill, with five full days in Committee, comprising more than 30 hours of this House's time. So many Members have spoken—more than 90 in total—that it would take most of the two hours available for Third Reading to pay tribute to them all. I am delighted that the Bill has stimulated such interest.

Invidious as it is to single out any Member—I apologise to those I do not mention—I want to pay tribute to my hon. Friend the Member for Stone (Mr Cash) and the European Scrutiny Committee. Whether or not we were surprised that he did not move his amendment just now, we were certainly not surprised that he did not agree with what my right hon. Friend the Minister for Europe has just said. I thank my hon. Friend and his Committee for their two very comprehensive reports on the Bill. The Government do not take the same view as the Committee on all the points they have raised, but the Committee has fulfilled its vital role commendably. The whole House has benefited from my hon. Friend's knowledge and his long-held and principled approach to these matters.

On the Opposition Front Bench, the hon. Member for Wolverhampton North East (Emma Reynolds), a shadow Foreign Office Minister, impressed the whole House with her first speech from the Dispatch Box, which is no easy thing to do. She showed herself to be one of the Leader of the Opposition's new generation with a bright future. As I understand it, his "new generation" is a sufficiently elastic term to encompass the hon. Member for Caerphilly (Mr David), the shadow Minister for Europe, as well—*[Interruption.]* Indeed, the squeezed middle—another elastic and not exactly defined term. Perhaps both terms are suited to him. Once again, he has shown the House his great eloquence.

My hon. Friend the Member for Harwich and North Essex (Mr Jenkin) spoke with great verve and passion. My hon. Friend the Member for Hertsmere (Mr Clappison), who is in his place, brought to the debate his usual rigour and deeply held belief in parliamentary accountability. My hon. Friend the Member for Aldridge-Brownhills (Mr Shepherd) has spoken with all the zeal for democracy that we associate with him. My hon. Friend the Member for Dover (Charlie Elphicke) has demonstrated great fluency and articulacy in the debates, including earlier this evening. I am grateful to my hon. Friend the Member for Esher and Walton (Mr Raab) for the legal focus he has brought to the debates.

I thank my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg) for the intelligence and thoughtfulness he has brought to the debate. My hon. Friend the Member for Stroud (Neil Carmichael) gave us the benefit of his considered and always thoroughly reasoned opinions. My hon. Friend the Member for Spelthorne (Kwasi Kwarteng) showed the House his enormous skill in debate. My hon. Friend the Member for Wellingborough (Mr Bone) made the debates more enjoyable for everyone, not least with his unquenchable sense of mischief. My hon. Friend the Member for South Swindon (Mr Buckland) made very carefully thought-through contributions, and my hon. Friend the Member for Ipswich (Ben Gummer) gave the House the benefit of his great clarity of mind.

My hon. Friends the Members for Witham (Priti Patel) and for Grantham and Stamford (Nick Boles), my right hon. Friends the Members for Wokingham (Mr Redwood) and for Charnwood (Mr Dorrell) and my right hon. and learned Friend the Member for Kensington (Sir Malcolm Rifkind) have all spoken well in these debates. I thank my hon. Friends the Members for Camborne and Redruth (George Eustice), for Gainsborough (Mr Leigh) and for New Forest East (Dr Lewis). I am particularly grateful to my hon. Friends the Members for Daventry (Chris Heaton-Harris), for Wycombe (Steve Baker), for Cleethorpes (Martin Vickers), for Bury North (Mr Nuttall) and for Crawley (Henry Smith), whose rigorous scrutiny has helped us materially to improve the Bill as it has gone through Committee.

From another party, my hon. Friends the Members for Cheltenham (Martin Horwood), for Westmorland and Lonsdale (Tim Farron) and for St Austell and Newquay (Stephen Gilbert) very ably represented their

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party and powerfully made the case for the Bill from a slightly different perspective from that of some of my colleagues.

On the Opposition side, I want to thank the hon. Member for Glasgow South West (Mr Davidson), without whose sharp wit no debate on Europe would be complete, although evidently we are having to do without it this evening, so perhaps the debate is incomplete. The hon. Member for Birmingham, Edgbaston (Ms Stuart), who is in her place, as always brought her great experience and independence of mind to bear. The hon. Member for Vauxhall (Kate Hoey) reminded us that she is a sincere tribune of democracy. Truly, no debate on these matters would be complete without the hon. Member for Luton North (Kelvin Hopkins), as I well remember from the previous Parliament. The hon. Member for Rhondda (Chris Bryant) left us in no doubt about his view of the Bill. The right hon. Member for Rotherham (Mr MacShane)—it is a pity he is not here—fulfilled his proper role admirably, which is to denounce the Bill in such fierce terms as to convince everyone else of its great merits. He has done us an enormous service by doing so regularly.

Lastly, I must thank my right hon. Friend the Minister for Europe who has led the debates in Committee with great authority and absolute command of the language and detail of the treaties and of the Bill. I and the rest of the Government are very grateful for the superb work he has done. I should also put on the record my gratitude for the outstanding work done by officials in the Foreign Office in putting together this legislation.

The Bill represents the most significant and radical overhaul of how the most important decisions in the European Union can be made by the United Kingdom—decisions on changes to the EU treaties—since the European Communities Act 1972. It is an overhaul that is as profoundly needed as it is overdue. It marks a real shift in power from Ministers to Parliament and from both Ministers and Parliament to voters themselves.

The last 13 years of Labour Government saw the old approach tested to destruction. Four major treaties were signed. One was blocked by referendums in other countries. A referendum was promised in this country but denied and a treaty was taken through Parliament with no basis in any party's manifesto. After those 13 years, the EU's reach and power has grown and grown, but its standing with the British people has fallen at the same time.

For any democrat, that must be a deeply unsatisfactory state of affairs. Whether one approves of everything in all these treaties, which is a respectable position but not mine, or believes, as I do, that the EU now has considerable powers that would far better be matters for national Parliaments and Governments, we cannot go on like this. The EU's future developments must be put under proper democratic control. That is an absolute necessity from any point of view on the EU if disenchantment with it is not to grow yet worse.

Mr Cash: Will my right hon. Friend be kind enough to give way?

Mr Hague: I was hoping that my kind reference to my hon. Friend would give him such a glow of contentment that he would be able to sit through my speech, but I will of course give way.

Mr Cash: It will not be the first time that my right hon. Friend has found I am not taken in by flattery. The real question is the one to which I referred a few moments ago when he was in the Chamber, which relates to the landscape of the European Union, increased Europeanisation as it affects this country and the manner in which the predominance of other countries is clearly moving further and further upstream. Does he really believe that the Bill will make any substantial difference to that question, particularly if we go down the route of a two-tier Europe?

Mr Hague: The Bill does make a material difference. It does not address the whole question my hon. Friend raises, because there are many different dimensions to it, but it is an important measure. In any future negotiations about the EU, British Ministers will be in the European Council saying very clearly that, under a vast range of provisions set out in the Bill, proposals that may be put to them in the European Council would require a referendum in the UK. That does change the negotiating position in Europe and the freedom of manoeuvre of British Governments, and it means that Governments have to be very alert to that point—not just British Governments, but all the Governments of the European Union. I can tell my hon. Friend that when I explain that point to them, as I already do, it makes a considerable impact on them.

My view is that the European Union has great achievements to its name: the single market; the enlargement of its membership, which has done so much to strengthen the spread of freedom and democracy in Europe; and the effective use of European nations' collective weight in the world, which remains of high importance to our values and interests, as we have seen on sanctions and on Iran and hope to see in response to events in north Africa.

There are great challenges for the nations of Europe, in growth and global competitiveness, where action in the European Union on widening further markets in services, energy and the digital economy could do much to help to lift our economic prospects, but all that will be ever more overshadowed if the EU's treaties change yet again to enlarge its powers still further without popular consent. That is the point that the Bill addresses.

Mr Redwood: I am all in favour of that democratic consent, but there is about to be a very substantial strengthening of power over economic governance for euroland, and, although we will be opted out of the most severe penalty, many of us believe that the measure will have a very big impact over the years on this country. Why cannot we have a vote on that crucial new treaty?

Mr Hague: It is already very clear, from our discussions on that treaty, that it will not have the effect on the United Kingdom which my right hon. Friend fears. There is no provision for it to do so; indeed, it is very clear that it should not do so. If any change were to be made to the arrangements of the European Union which imposed significant new sanctions or obligations on the United Kingdom, then of course a referendum would arise under the provisions of the Bill. That again will have to be remembered when all such provisions and changes are discussed within the European Union in the future.

It is one of our core beliefs in this coalition Government that power should not be hoarded by Ministers and officials in Whitehall, but be shared more widely with Parliament and people. That is wholly at one with the development of modern society. People increasingly want and expect to make decisions for themselves, not to have them taken for them by the Government. This Government believe that that desire and expectation are shaping our society for the better, so we are opening up public services to more choice, giving professionals more responsibility and devolving power in the Localism Bill.

The Bill before us is driven by our belief in giving power to people. Indeed, the lack of referendums on transfers of areas of power from Britain to the EU has become glaringly illogical, given the many issues on which the previous Government did institute referendums. We have had referendums on devolution and, locally, on whether towns and cities, from London to Hartlepool, should have directly elected mayors. The logic of all those referendums is the same: they are decisions on whether to change who holds power and how that power may be used. No decision can be more eminently qualified than one that could move an area of policy from the responsibility of this House to the responsibility to the European Union.

Ms Gisela Stuart: I want to take the Foreign Secretary back to when he said that he wished to share power. Does he also wish to share power in the European Union with UK citizens who apply for high-level jobs in it? The latest statistics show that British applicants make up less than 5%, because they are not competent in a second language. The Germans and French take something like 20% of the jobs, so could we share that power also with our workers and upwards?

Mr Hague: Yes, very much indeed. In fact, there was quite a lot of criticism of the External Action Service from other countries, because so many British people have gone into its senior ranks recently, but the hon. Lady makes an important point, which my right hon. Friend the Minister for Europe and I have been addressing since the new Government took office—that far fewer British people have gone into the European institutions in recent years.

The previous Government ended the European fast stream programme for civil servants, and it has now been started again. We hold events in the Foreign Office for universities, to point out that there are careers in the European institutions, so that in future a bigger intake of people working in those institutions will come from the United Kingdom and understand the culture and issues here. This Government are addressing that point, whereas the Government whom she supported rather dismally failed. I am therefore very grateful to her for raising that issue.

This Bill rightly gives Parliament far more control over decisions that had previously been a matter for Ministers alone or that Parliament had only limited ability to scrutinise and deliberate on. By directing Ministers when a referendum must be held and by setting such conditions in law, the Bill also transfers power directly to the people. I am a passionate supporter of the rights and role of Parliament, but there are issues where it is right that power should be exercised directly by the people.

We can all recall manifesto promises that have been broken, and we all know that new circumstances can arise that are not covered by a manifesto. That was the very thin excuse that the Labour party came up with for not holding a referendum on the Lisbon treaty. Indeed, when voters must exercise their judgment on the whole of a manifesto, crucial questions of who should hold power can be lost in the broader argument. Although in most matters future Governments and Parliament can reverse the decisions of their predecessors, in the case of the European Union that can be very difficult indeed. The British people want the right to decide whether the European Union should be given new powers over areas of policy. They deserve that right, and our democracy will be healthier and the European Union more legitimate if they get it. That is the democratic case for this Bill.

Indeed, the case for the Bill is so strong that the House did not divide on Second Reading, and the Opposition, in their amendment to that Second Reading, accepted the soundness of the principle of referendums on significant constitutional changes. It is good that there is consensus on the extension of our democracy. Unfortunately, the Opposition Front-Bench team also took the position of willing the end but not the means, by proposing a rather nebulous committee to decide whether any treaty change was significant. According to that position, it would be debatable not only whether the preservation of our national veto or the retention of national vetoes over foreign policy were significant enough for a referendum, but whether joining the euro was significant enough for a referendum. That of course became a rather risible argument.

The fact that the Bill sets down in detail the criteria for when a referendum should be held was also objected to, but we make no apology for its detail. It ensures that the referendum lock that the Bill gives the voters is real. The complexity of the European treaties themselves makes any other approach ineffective. The alternative—some kind of broad test of whether there should be a referendum—would create legal uncertainty and leave far too much to ministerial discretion. Our purpose in drafting the Bill was to reduce ministerial discretion to the barest minimum. The answer to the distrust from which the European Union now suffers in this country is not to leave power in the hands of the Government, but to give it to the people.

A third objection was that the Bill will make it harder to negotiate in the EU, or that it sends the wrong signals. I argue, as I just have, that it will make it easier to negotiate in the EU. It is usually best to be wary of vague arguments invoking signals, and that is certainly true in this case. The signal that the Bill sends is that, in future, Britain's conduct of EU business will be placed on a surer democratic foundation, and that is a good one. The Bill makes it no harder to negotiate, but it does mean that on all kinds of treaty changes the Government must be able to convince Parliament of the merits of their case, and, in the case of treaty changes that transfer power, convince the British people themselves.

That brings me to the fourth objection that I have heard to the Bill—that the referendum lock will make many kinds of desirable changes impossible because the British people will vote them down. That is surely the weakest argument of all—that the British people cannot and should not be trusted, and that arguments for increasing the EU's powers are so unconvincing that the

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British people can never be persuaded of them. Although I believe that we have come to the point where the problem is not that the EU has too little say over too few areas of policy but quite the reverse, I say to those who have such concerns, "Have the courage of your convictions." If a future Government thought it right to abolish national vetoes over foreign policy, for example, let them convince the voters of the merits of doing so. If that cannot be done, that is democracy at work.

The Bill sets out the process for handling any future treaty changes. The coalition Government have made a firm commitment that we will not agree to any transfer of powers from Westminster to Brussels for the duration of this Parliament, but, as experience has shown, voters should not simply have to rely on politicians' promises on such matters. If Parliament approves the Bill, any future treaty change that transfers powers from Britain to the EU will be agreed to only with the consent of the British people.

Many other matters have been gone over in detail, including important debates on the sovereignty clause, so I will not go through everything again. Some of my hon. Friends were concerned that references to the common law in the explanatory notes implied that the Government were forming a judgment on the origins of parliamentary sovereignty. That is not the case. For the avoidance of doubt, I reiterate that the purpose of clause 18 is to make clear and to put beyond speculation the basis on which directly effective and applicable EU law takes effect in the domestic legal order of the United Kingdom, and to negate the risk that EU law could be held to have an autonomous status independent of the will of Parliament through its Acts.

A number of Government amendments have been made to the Bill in Committee and on Report to ensure that it comprehensively fulfils its overall original intent and that the law on parliamentary ratification of treaties is wholly consistent and coherent. Hon. Members' detailed consideration of the Bill exposed some areas where improvements could be made, and we are grateful to them for that work. First, the amendments make it absolutely clear that a referendum would be required in all cases before the UK could join the European Public Prosecutor's Office or extend its powers, whether the decision was taken before or after that office had been set up by other member states or before or after the powers had been extended.

Secondly, the amendments ensure that any proposed treaty change that sought to give up any national veto in respect of the common foreign and security policy provisions in the treaty on the European Union, whether under the ordinary revision procedure, under the simplified revision procedure or through the use of an existing ratchet clause, would require the consent of the British people in a referendum. Thirdly, they ensure, with the passing of the relevant amendment a few moments ago, that Parliament will have to vote in favour of any move from the special legislative procedure to the ordinary legislative procedure in relation to eight articles of the treaty that are already subject to qualified majority voting.

The first Government amendment tabled on the second day in Committee amends clause 5 to ensure that the proposed eurozone treaty change is subject to the full rigours of this Bill for its ratification. That treaty change is due to be agreed later this month. Because the Bill is unlikely to be law by the end of May, we have amended it so that the clock starts ticking for the two-month period for the Government statement upon Royal Assent to the Bill rather than on the day when the treaty change is signed.

Mark Reckless (Rochester and Strood) (Con): Will the Foreign Secretary use the opportunity of the eurozone's needing our agreement to its permanent stability pact to require, in return, some repatriation of powers to this country, particularly in limiting the application of the working time directive, which is part of the coalition agreement?

Mr Hague: The eurozone treaty change is in the interests of the United Kingdom; let us be clear about that. Therefore, no one should think that it is in our interests to block that treaty change as it is currently proposed. Although we are not members of the euro—my position on the euro is very long-held and well known; I hope that we will never be members—its stability is very important for our own economic situation and economic future. It is therefore unlikely to be in our national interest, or to be effective, to try to block the treaty change to put forward the change that my hon. Friend proposes, particularly as other nations could, if necessary, make such changes outside the European treaties to get round such a block. However, he is right to raise concerns about the working time directive—an issue to which we will have to return.

This Bill deals with the most important EU decisions of all—those on treaty change. However, we believe that there is room for further improvement of parliamentary scrutiny and control over EU decisions, and that is particularly true of justice and home affairs opt-in decisions. It had become clear to us, and to many others in this House—my hon. Friend the Member for Hertsmere, in particular, has raised this—that the established system was inadequate. Therefore, two months ago, my hon. Friend the Minister for Europe, with the support of the Home Secretary and the Justice Secretary, announced a package of measures to strengthen parliamentary control so that there will have to be a vote in both Houses before the Government can decide by 2014 whether to opt in en masse to the existing EU criminal justice and policing measures adopted under the former third pillar. There is now also a minimum requirement for a written statement to Parliament on all opt-in decisions on new EU measures in justice and home affairs. In the case of strong parliamentary interest in a proposed decision to opt in, under the Bill there will be a debate and vote in both Houses on the Government's recommended approach.[1]

There are a number of practical issues to resolve, so the Government are committed to consulting the business managers, the European Scrutiny Committee in the Commons, the Lords European Union Committee and the Justice and Home Affairs Committees on how these arrangements will work in practice, including the criteria for when a debate should be held in Government time and how we deal with periods of recess. Discussions on these issues are continuing, and we will report on their conclusions in due course. We are also committed to enhancing parliamentary scrutiny of other EU issues beyond the area of justice and home affairs, and the

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[1] *[Official Report, 18 March 2011, Vol. 525, c. 9MC.]*

Minister for Europe has already been in contact with my hon. Friend the Member for Stone and the Chairman of the Lords EU Committee to take this work forward.

This Bill is not a panacea for all the problems of the European Union, but it does deal with the biggest challenge that it poses to our democracy: that its development should be linked to popular consent. The Bill does not just provide a referendum lock on any future treaty change that transfers powers: it provides a framework for greater parliamentary control over many important decisions, including those which need to be taken shortly to help deal with the eurozone crisis. It lays down that the transfer of power or competence cannot be agreed by a British Government without first obtaining the consent of the British people. It is a major change that strengthens our democracy by giving new powers to Parliament and voters. As such, it can and should be welcomed by everyone, whatever their view of the European Union, and I therefore hope that this House will give it its Third Reading tonight.

8.26 pm

Mr Douglas Alexander (Paisley and Renfrewshire South) (Lab): As is customary, I join the Foreign Secretary in paying generous tribute to previous speakers in today's debate and in the debates on the Bill in Committee of the Whole House. Throughout these debates, there have been sustained contributions from a whole range of Members, and I will accept the challenge of trying to identify just a small number of them given the very many who have spoken. The hon. Member for Stone (Mr Cash) and my hon. Friend the Member for Birmingham, Edgbaston (Ms Stuart) have demonstrated their depth of knowledge on these complex but important issues. My right hon. Friend the Member for Rotherham (Mr MacShane) and the hon. Member for Harwich and North Essex (Mr Jenkin), who is not in his place this evening, have shown that rhetorical flourishes are not the domain of any one party but can be brought to opposing sides of this debate.

I also echo the Foreign Secretary in paying generous tribute to both Front-Bench teams, both of whom have been well briefed for these debates, as the immense red folder opposite powerfully attests. Alas, for the time being it is the only thing on that side of the Chamber that is red, with the possible exception of the Deputy Leader of the House's socks, but I hope that that will change in time.

On the Third Reading of Bills, it is customary to thank the departmental officials who have toiled in support of their ministerial masters. Some in the Foreign Office deal with great affairs of state, while some see service in troubled lands. A chosen few are dispatched to represent our country to our firm allies in the great capitals of the world. The seven officials who have been obliged to work full-time on this particular piece of legislation therefore deserve our heartfelt sympathy and support.

Not everything in the Bill is bad, although nothing in it is particularly good. It has been described variously as a piece of "legislative PR", a "show Bill", a "missed opportunity", as having clauses that are "entirely bogus", and of involving "contemplating our navels". Those remarks, of course, all came from Conservative Members, apparently in support of their Government's proposals. The measures in part 2 to ensure that Britain is fully represented in the European Parliament are of course necessary, as are some of the changes to the way in which this House scrutinises European decisions, such as those in clauses 9 and 10. There is growing consensus in almost all member states of the European Union that national Parliaments need to play a bigger role in scrutinising its decisions.

During the Foreign Secretary's first period of trying to appease Conservative Eurosceptics, he tried to move the euro debate off referendums and into the mainstream of a general election campaign. As I am sure he will recollect, this Bill comes 3,572 days after he told us that there were just 12 days left to save the pound. He does not yet seem to have learned his lesson. The Conservative party has called for a referendum on every treaty since it was last in office. Its last manifesto pledged to repatriate the European competences contained in those treaties back to the United Kingdom. Now Ministers appear content with the situation as it stands and offer this 18-clause Bill instead.

The principle of having a codified set of rules on when a referendum should take place on major issues, as is attempted in schedule 1, is reasonable enough, even if it seems somewhat extraneous. We will see how far such a power is applied in practice. For all the talk of legislative and referendum locks, which we have heard again from the Foreign Secretary this evening, the Bill cannot get away from the simple fact that each successive Parliament in the United Kingdom is sovereign. If a new treaty is signed or a new distribution of powers is decided on, Ministers will have to bring a Bill before Parliament, just as before. At that point, it would be straightforward for them to amend part 1 of this Bill and remove any of the requirements. They could also legislate for a referendum, or choose a new constitutional innovation that we cannot foresee. It will be for the Parliament of the day to make that decision. Rather than a legislative lock, the Bill actually seems to be the constitutional application of the latest theory much-loved by the Prime Minister: the nudge theory. I suppose that for Government Members, it is worth a little more than the cast-iron guarantee that the Prime Minister offered before the election.

Mr Redwood: On reflection, does the right hon. Gentleman think that it would have been better if the British public had had a vote on Nice, Amsterdam or Lisbon, because they might have felt a bit happier about the European Union if they had been properly consulted?

Mr Alexander: I find myself in sympathy with the Conservative position at the times of those treaties. The Conservatives were not convinced by the case for a referendum, and neither was I. It rather reflects the changing disposition of those on the Conservative Front Bench that, as I recollect, the Foreign Secretary was a fierce advocate of the avoidance of a referendum on the Maastricht treaty. At least on that, we are at one.

The real guard is the precedent established by political consensus that, for example, no party will join the euro without a referendum. No party pledged to ratify the proposed European constitution without a referendum. There was no consensus on Lisbon. Labour and Liberal Democrat Members did not believe that a referendum was needed, but Conservative Members did, and the Conservative leader did until he suddenly realised that

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he might be in government in just over a year's time and did not fancy spending the first two years as Prime Minister obsessing over European renegotiations.

Charlie Elphicke: I hate to intrude on the right hon. Gentleman's reworking of history, but to describe the Lisbon treaty as nothing to do with the European constitution is a travesty of the truth and of what actually happened. Does he accept that he should regret not following through with a referendum on that matter?

Mr Alexander: I do not wish to intrude on private grief, but I sense that that question would be better directed towards his new-found colleagues in the coalition, who clearly do not share his view. If he was to achieve consensus on his side of the House, he might have a better chance of achieving it across the whole House.

The muddle in that part of the Bill is as nothing compared with clause 18—the so-called supremacy clause. That was meant to be the red meat, but the more erudite Government Members simply are not biting. The hon. Member for Stone called it a "mouse of a Bill" when referring to this point. Those Members know that this is Britain's first foray into what can safely be described as decorative legislation. It demeans this House to assert that it is sovereign when the fact is not seriously questioned. What we have seen in the middle east and north Africa in recent weeks should be a salutary reminder to us all that Parliaments and states derive their sovereignty from the people they serve. This Parliament will be no more or less sovereign because of the superfluous clause 18.

The question that we are all left asking is, "What is the rush?" The Government say that they have no intention of passing any powers to Europe for the next four years, so part 1 of the Bill will not be used, and clause 18 has already been shown to be superfluous. However, the Bill has been brought before the House for Third Reading before the Localism Bill, the Health and Social Care Bill, the Budget Responsibility and National Audit Bill and the Welfare Reform Bill—before any of the legislation that is supposed to define the very purpose of the coalition Government.

If the Bill is not just a legislative attempt to distract the Conservative right, I am afraid I can think of only one possible explanation. The week before last, the Deputy Prime Minister was reportedly shocked to discover that he was briefly in charge of the Government. The only real purpose for the Bill that I can adduce is that it is designed to guard against an eventuality such as this: the Prime Minister abroad on a trade mission, the Foreign Secretary about to head to Washington for important discussions and the Chancellor in Klosters, with the Deputy Prime Minister seeing an awful Liberal Democrat election result and deciding to make a dash for the history books by joining the euro before any of them manage to get back to the country. I tell Conservative Members who are slightly concerned by that scenario that in reality they need not worry; the mere fact of the Deputy Prime Minister's support is probably a bigger barrier to Britain joining the euro than any referendum lock contemplated in the House.

We are content for the Bill to proceed to the House of Lords for further scrutiny, particularly of clauses 3 to 6. However, what it reveals about the Government is probably of more import than its true legislative effect. Dramatic, epoch-making events are taking place in the middle east as we gather here this evening. In Libya, Foreign and Commonwealth Office Ministers have not exactly covered themselves in glory, and the root of the problem appears to be their failure to co-ordinate either within Government or among our allies. May I respectfully suggest that the Bill is distracting Ministers from what should be their overriding focus at this time?

In February, the Foreign Secretary said that the cost of simply drawing up the Bill had already run to £200,000. We are left wondering not only how much the final bill will be but whether it is really the best use of the Foreign Office's resources when it is having to make significant efficiencies. Of course, the bill for this Bill has not yet ended, because the Government have ignored amendments tabled by the Opposition and are leaving judicial review, rather than Parliament, to determine in the final instance whether there should be referendums. We do not know how often judicial reviews will be called or a decision will be reversed, but we do know that what has been called the William Cash memorial Bill could equally be called a fiscal stimulus for any legal practice specialising in judicial reviews.

The Conservatives' monomania about Europe in opposition was an eccentricity, and the further they sank in the polls, the grander their rhetoric became. I confess, for that reason alone, to occasionally having cheered them on. However, they are in government now and the time has come to put away the party preoccupations that kept them going in the dark days of general election defeats. Now their job is to run the country and develop a foreign policy worthy of the name. Now is not the time for legislation designed to appease their own Back Benchers.

I have enjoyed both versions of the Foreign Secretary that have been seen in the House in the past decade—the baseball-capped, 14-pint-a-night young Conservative with extraordinary rhetorical skills, and the rather more world-weary, scholarly voice of experience in a Cabinet that all too often lacks it. There is a lot for Opposition Members to admire in both those characters, but surely to be a strong Foreign Secretary he needs to decide whether the Bill really fits with the seriousness needed from a British Foreign Secretary at a time of global economic and political turmoil. His 2001 persona would surely have loved the Bill, but I and many others had hoped that he would take that fact as a warning rather than an endorsement.

The Foreign Secretary has my support in putting pressure on the Gaddafi regime in Libya in the coming days, and the Minister for Europe has my support when he speaks out against human rights abuses in Belarus, as he did at the weekend. In seeking the right reforms in Brussels, they have not merely my support but my sympathy. I just wish that they would get on with those vital tasks instead of wasting so much of the people's time with a Bill that satisfies few and achieves so little.

8.39 pm

Mr Cash: I am fascinated by the line that the Opposition are taking. I am not impressed, if I may say so, by the line being taken by the coalition Government. It is difficult to resist the idea that a referendum is necessary in certain circumstances, so I rather anticipate that there will not a Division this evening, since the Bill is associated with what is really no more than the unlikely event of a referendum being called in respect of any of the provisions contained in it. The circumstances and the facts that we have had the opportunity to examine in the course of proceedings on the Bill, and indeed the trend, as I said in my earlier speech, of the UK being drawn in to the legal framework of a two-tier Europe but actually being neutered at the same time, increase the necessity of a proper referendum—an in-or-out referendum—so that the British people can decide whether they want to be Europeanised or absorbed, like ectoplasm, into the strange new world being created, over which we have increasingly little influence, let alone control.

This is, fundamentally, about a democratic deficit. I do not believe that the Bill will make any substantial difference to the landscape to which I referred in my previous remarks to the Foreign Secretary. A strategic mistake is being made in respect of Europe. Europe is failing. There is incredibly high unemployment in other member states: Spain's youth unemployment, for example, is 43%. Very serious damage is being done by burdens on business—50% of all our economic regulation comes from the EU—and there is a failure to provide oxygen for the small business community in this country. The Bill does not, in my opinion, make any difference to those matters.

We have faced for some time now an economic crisis in Europe, but none of the measures—including the 2020 strategy, which will be no more successful than the Lisbon agenda, which had to be abandoned—will make any substantial difference to the mistakes and distortions associated with the European Union as it now is which continue to affect the United Kingdom. We need to renegotiate the treaties, and the Bill will not change that fact.

At the beginning of our debates on the Bill, the European Scrutiny Committee proposed to have a proper investigation into it. I am sorry that the Foreign Secretary did not feel that he could attend, but I am glad that the Minister for Europe came to see us, albeit somewhat late in the day. The Committee gave careful consideration to the Bill, but it is not evident that the Government paid very much attention to what has been described in many quarters as one of the best Scrutiny Committee reports produced in recent years. I am afraid that they have substantially ducked the issue.

I shall address a number of the points as they cropped up. Much play was made of the idea that the Bill would reaffirm the sovereignty of the United Kingdom Parliament, but when I tabled a motion to that effect the entire Conservative party, with some honourable exceptions, voted against it, which struck me as somewhat bizarre and extremely dangerous.

The European Scrutiny Committee report, which took evidence from many of this country's pre-eminent constitutional experts, came to certain very clear conclusions. First, we noted:

> "Clause 18 did not address the competing primacies of EU and national law",

which is a matter of grave concern, and that on the evidence we received, clause 18 was "not needed". We also concluded, on the evidence that we received, that

> "If Parliament wills it may legislate to override the European Communities Act 1972 or the EU Treaties by repealing them, amending them or any provisions in them, or by clearly and expressly legislating inconsistently with them in respect of EU legislation or generally."

That is a very important statement from the European Scrutiny Committee, because for many years it was asserted that, owing to the nature of the European Communities Act and the treaties on which it is based, with their amendments and their additions, it would not be possible for Parliament to legislate "notwithstanding the European Communities Act". There was a movement towards the assumption—it was a dangerous habit of thinking and attitude of mind—that somehow we were locked into a situation that would never allow the United Kingdom to reassert its sovereignty in respect of European legislation.

For reasons that I have given, including the burdens on businesses, which are costing about 4% of gross domestic product, and the fact that since 1999 as much as £128 billion—it might be more now—has been lost to the British economy through over-regulation, we have to deal with these questions. That is the flipside of the idea of having a referendum on any further transfer of competences or powers. We have to deal with the existing European Union, not any future EU or any future extension of powers or competences. That is something for the future; we have to deal with the EU as it is now, and it is doing great damage, in many respects, to the UK's national interests.

Mr Redwood: I am grateful to my hon. Friend, who as always is doing a great job on this issue. Will he agree that the legislation would be much more convincing if the very huge transfers of power now taking place—the power to regulate all our financial and banking services, the power in criminal justice and, soon, economic governance powers—were to be the subject of a referendum as a result of the Bill?

Mr Cash: Indeed, it would. For example, the fact that the City of London and its jurisdiction has legally been transferred to the EU is an indictment of the trends in the wrong direction. The landscape is changing in the wrong direction. With respect to the Foreign Secretary, the Prime Minister and other Ministers, I say that these matters need to be very carefully reviewed. All is not lost; the Bill is now going off to the House of Lords, and as I said earlier this evening, I hope that over the next few months serious consideration will be given to the impact of the European proposals on the competitiveness package, and the encroachments of European economic governance. I hope that these matters will be tackled. We need to ensure that we not only deal with future referendums, which we have been told will not happen until the next Parliament anyway—that is some years away—but tackle the crisis and the danger that we should be addressing now.

I trust that the House will not mind me mentioning that today I published a new note—perhaps I might even call it a pamphlet—entitled "Saving the British economy for the British people". It sets out the history of the stabilisation mechanism and how it has drawn us into a dangerous situation regarding bail-outs. However, I will not go down that route now, because I want to return to what the European Scrutiny Committee said about the Bill. We concluded that

> "if the legislative supremacy of Parliament is under threat, it is from judicial"

[Mr Cash]

supremacy. That is the problem. It is a British constitutional problem, not only one of the assertions of the European Court of Justice; it is an internal domestic constitutional question, as Professor Tomkins made clear in his superb evidence. We said that:

> "we attach weight to the warnings expressed by Professor Tomkins if the Government maintains clause 18 in the EU Bill."

He spoke of the Bill overall as going

> "out of its way to invite litigation".

That is precisely the direction in which we do not want things to go. We need to be certain that the sovereignty of Parliament is a matter for Parliament and the people, not the judiciary or the Supreme Court, particularly in the light of the trend shown in assertions by the likes of Lord Steyn, Lady Hale and Lord Hope of Craighead, all of which we looked at in detail in the evidence that we received and the judgments reached when we concluded our review of that evidence.

Furthermore, we concluded:

> "Clause 18 is not a sovereignty clause in the manner claimed by the Government, and the whole premise on which it has been included in the Bill is, in our view, exaggerated."

We were also concerned about the manner in which the explanatory notes had been devised. We debated the matter at length, concluding:

> "The Explanatory Notes present as fact what the evidence we have received tells us is disputed, viewed from any perspective."

In other words, we were deeply dissatisfied with the way in which the explanatory notes dwelt on the idea of the common law principle. Indeed, I moved an amendment to clause 18 in an attempt to remove it from the framework of judicial interpretation, but that amendment too was defeated by the Government. In fact, I would say—I say this with respect to the Foreign Secretary and my right hon. Friend the Minister for Europe—that despite the soft words that the Foreign Secretary offered at the beginning of this debate, he knows well enough that we will not be put off or seduced by any flattery; we are interested in the arguments and the facts.

The European Scrutiny Committee analysed this Bill and found it wanting in many different ways. The other thing to say about clause 18 is this:

> "The real point is whether a government can, in law, make it difficult for a future Parliament to amend or repeal the legislation it has passed"—

in a word, the point that the shadow Foreign Secretary made just now. We concluded firmly that

> "in our view it cannot. Our conclusion therefore is straightforward—that an Act of Parliament applies until it is repealed."

Sovereignty is not an arcane, theoretical or abstract question; it is, as I said in opening the inquiry, about the vast array of activities and functions that have been conferred on the authority of the European Union by the Lisbon treaty—a treaty that was passed by the previous Government but has since been adopted by our Government, despite the fact that we opposed its passage through the House tooth and nail when in opposition—and how they affect the daily lives of the people and businesses of this country in such a wide variety of ways, making it essential that we reassert the right of Parliament to override those provisions if they are deemed not to be in our national interest.

There is no presumption that merely because of the European Communities Act 1972 we have to accept as a matter of compulsion whatever is served up to us by the European Union. If it is not in our national interest, we must repudiate it. I see the Minister for Europe shaking his head. He knows that this is an important question, but he disagrees with me on it. I do not hold that against him; I simply say that he is wrong. There are those who will continue to argue that there is no way in which we can override European legislation, but no way will those of us who take the view that we do change our minds. We put the national interest first, and if what is being done under European Union proposals is not in the national interest, we will have to override it.

There are many aspects of the Bill, including the whole problem of the creation of a two-tier Europe and the extent to which a referendum is being denied to us under clause 4, that will cause grave difficulties for us over the next few months as we deal with the question of the eurozone and the countries that are not part of it. I regard this as a matter on which we will be judged as time goes on. On the exceptions, including clause 4, that preclude a referendum on matters that will dramatically affect the United Kingdom—such as a two-tier Europe or an accession treaty—the Committee concluded:

> "the exceptions…have been drafted to allow the Government to support certain EU policies, such as strengthening of the eurozone, including through harmonisation of economic, fiscal and social measures if necessary…or enlargement, without triggering the referendum lock."

The reality is that we will need a referendum if the creation of a two-tier Europe affects the United Kingdom in the way that we anticipate. If we are so affected, and we are put at a grave disadvantage, the responsibility will lie with the Government for refusing to allow a referendum. We are not only moving towards a situation in which the creation of a new kind of Europe is in prospect; we are on the brink of it. That landscape will not be an attractive one unless we move down the route of an association of nation states. The Foreign Secretary knows perfectly well that the arrangements in the Bill do not deal with the present. They deal only with the future, but we are confronted as I speak with the present danger of a European system that does not serve our national interest. We must meet that challenge, and meet it now.

8.58 pm

Mr Clappison: I congratulate my right hon. Friend the Foreign Secretary on his speech this evening, and on his robust reaffirmation of parliamentary sovereignty and national democracy, which was very welcome to those of us on this side of the House, at least. I also thank him for the interest that he has taken in parliamentary scrutiny of opt-in decisions in the important areas of freedom, security and justice, and the attempt by the European Union to seize for itself the power to fashion our criminal law in this country.

I congratulate my right hon. Friend the Minister for Europe on the way in which he has taken the trouble to respond to all these debates. He has done so patiently and thoroughly, and shown great expertise. He has had a considerable amount of research behind him, and I think that the whole House is grateful to him for the exemplary way in which he has taken the Bill through the Committee of the whole House.

I also congratulate the hon. Members for Wolverhampton North East (Emma Reynolds) and for Caerphilly (Mr David) on their contributions to these debates, which have been very good humoured, and very effective in their own way. I congratulate, too, the shadow Foreign Secretary, the right hon. Member for Paisley and Renfrewshire South (Mr Alexander), on his speech this evening and for the foresight that he apparently possesses. He seems to have an ability to see into the future. Little did we know when we began our Second Reading debate on 7 December—or before that, when we promised these measures in our manifesto—that the right hon. Gentleman would have foreseen the problems in the middle east before anyone else did. He also deserves to win some sort of prize for stringing together unrelated issues in order to exploit them for maximum political advantage. That bodes well for his career in opposition, if not for the credibility of his policies or particularly for the credibility of his party's position on Europe.

Let me sound a note of caution to my hon. Friends. On one or two occasions and again this evening, some have suggested that the Bill and the referendum locks will stop all transfer of power to Europe. That is not the case, so we need to continue to be vigilant about the transfers of power to Europe that can take place notwithstanding this Bill.

The Bill requires a referendum for a transfer of competence to Europe and in certain other specified instances, as well as for a movement from unanimity to qualified majority voting. However, my right hon. and hon. Friends will be aware that in a succession of treaties from Britain's first membership of Europe onwards—including particularly the important treaties of Maastricht and Lisbon—we have already transferred a whole list of competences to the EU. That includes not just exclusive competences where only the EU can act, but shared competences where if the EU chooses to act it can extinguish national competence in the same area and in supported competences. As I say, the list is very long and it is backed by the jurisdiction of the European Court of Justice, which has shown its ingenuity in extending that jurisdiction, and by the appetite for power of the European Commission.

Each time the EU chooses to act, to exercise power in respect of one of those many areas of important competences that it already possesses and to make policy, it extinguishes our ability to make policy at a national level in this Parliament. Each time it chooses to make law, to bring in a regulation or to put in place a directive for states to interpret, it is putting in place a law that takes precedence over our national law—and the European Court of Justice will see to it that in any case of conflict, European law takes precedence over our national law.

Notwithstanding the Bill's provisions, there is considerable scope for the European Union and its institutions to take more power from this House, from our country and from our electors. We can already see important examples coming along. I thus urge my right hon. and hon. Friends to express the same degree of determination to ensure national self-determination and parliamentary sovereignty when we get to the occasions that we know lie before us in the not-too-distant—in fact, the immediate—future, particularly in respect of freedom, security and justice, where we have already agreed to certain opt-ins for one or two important provisions. We know that the EU has a big programme in these areas and that many more of them are coming along.

I gently remind my right hon. and hon. Friends that we promised in our manifesto that we would seek to repatriate powers to this country and certainly not give additional powers to the EU. The valuable opt-out that we enjoy should be mentioned. It was a red line for the previous Labour Government, although created under pressure from Conservative Members, so we need to be very careful as a party that we go no further than Tony Blair and the previous Labour Government were prepared to go in providing the EU with an opportunity to make the criminal law of this country. I believe that criminal law belongs to a nation state: individual electors should be able to have their democratic say about it, as should their Members of Parliament.

I urge my right hon. Friends to be equally vigilant in the important area of economic governance. We know that there is an agenda and we will look very carefully at it in the future. We have seen reports in the press—apparently well-founded reports—that the European Union is, through the exercise of its trade policy, seeking to interfere with our immigration policy through the granting of visas as part of trade negotiations. That too would constitute a transfer of power to the European Union. The ability to determine who should be admitted to this country as an economic immigrant does not belong to the European Union; it belongs to a nation state. We should make that determination, in accordance with our needs and with the promises we have made to the electorate on the important subject of immigration.

I take heart from what has been said this evening by my right hon. Friends the Ministers about that and about the many other issues that will no doubt go to the European Union. We know that the EU, particularly the Commission, is a beast that is hungry for power and is never satisfied, or at least has not been satisfied so far in its history. Each time we have placed a safeguard in the way to save ourselves from it, the EU has found a way around that safeguard and dismantled it.

Let us hope that things will be different in this instance, but I say to my right hon. Friends that they must be robust in the face of the EU's demands. As well as the provisions in the Bill, we need Foreign Secretaries and other Ministers who will go to Europe, be prepared to say no and stand up for our national interests—and our supreme national interest is to preserve the ability to decide our own futures and preserve the sovereignty of our Parliament, which has been fought over, has taken so many years to establish, and is so grounded in our history.

I urge my right hon. Friends to do that and I believe that they will, for I have great confidence in them. Certainly, if they do, they will find solid support among Government Members who will back them every inch of the way when they go to Europe and say that this country is not prepared to abandon its opt-out and choose to opt in, is not prepared to submit itself voluntarily to economic governance by the European Union, and is not prepared to abdicate from its proud democracy and grant further powers to the European Union.

I said that my right hon. Friends would have the support at least of Government Members, but they should also bear in mind that the patience and credulity of the British public have been tested to breaking point

[Mr Clappison]

by the European Union. People in this country are aware of the promises that have been made about the transfer of power to Europe, and if they find that yet more power has been transferred to the European Union, their patience will be tested beyond that breaking point. The grave disillusionment that they undeniably feel with the EU, which expresses itself in so many ways—for example, in their disenchantment with its lack of accountability—will then extend to the politicians and leaders who are perceived to have given away yet more powers to it.

However, I am confident that that will not arise. Let me say in particular to my right hon. Friend the Foreign Secretary—to whom the country owes a great debt of gratitude for the principled stand that he has taken over the euro and many other issues—that he will have the full support of Government Members if he complements the Bill's provisions by going to Europe and seeing through the robust words that he has uttered this evening. He will deserve all our support if he does that, as I am sure that he will.

9.7 pm

Kelvin Hopkins: The hon. Member for Hertsmere (Mr Clappison) made a fine speech, and I agreed with every word of it. Let me too congratulate the hon. Member for Stone (Mr Cash), who chairs the European Scrutiny Committee, of which I am a member. Several other members of the Committee have contributed to this and earlier debates, and I think that all its members, on both sides of the House, do an excellent job.

I support the Bill to an extent, but I will become a true believer only when the first referendum takes place under it. I look forward to voting in that referendum, whatever its subject. Indeed, I think that any referendum on the European Union would be welcomed not just by me but by the British people. They have long wanted to express a view.

Throughout the European Union, the Eurobarometer—the measure of support for the EU—has been sinking for years. Its level is particularly low in Germany at present. Only yesterday, *The Times* reported that there was a serious possibility that the agreement on a scheme to bail out the weaker euro members in view of their present difficulties would fail because the German electorate are very hostile to the idea that Germany should effectively bail out other countries that may eventually include Portugal, Spain and who knows where else, as well as Ireland and Greece. That would cause serious problems for Angela Merkel in Germany. It is not all over yet.

I think we were very wise to stay out of the euro, and, like the Foreign Secretary, I do not believe we should ever join it. Indeed, I think there is now a serious possibility that the euro will be progressively dismantled—I will not say that it will collapse—and that we will return to something like the Deutschmark zone and other single currencies. Countries could then adjust their currencies according to their own needs and be able to choose their own fiscal and monetary policies. That is how economies will work together. There will be shock absorbers between economies, which is the way it should be. The arrangements in the post-war settlement worked extremely well. When countries had their own currencies, they had stable currencies relative to other currencies, but they also had the ultimate possibility of devaluation or revaluation, as necessary. Each country chose its own monetary and fiscal policies. That is not just about democracy; it is about making the world economy work better.

Many other Committee members have spoken. I had the pleasure of being a signatory to a number of amendments that were supported by Members on both sides of the House. On one or two occasions, I had the opportunity to vote for these amendments. Interestingly, I voted for amendments that were against a Conservative and Liberal Democrat coalition Government, but I was regarded as rebelling. My local newspaper said I was a rebel because I had voted against a Conservative and Liberal Democrat Government, which is very strange.

We have heard some witty and very worthy, clever and excellent speeches from both sides of the House, which I welcome, but I think that behind all these clever speeches there is still a desire among the upper echelons of the political class to retain real power in the EU within that political class and prevent it from being put in the hands of the electorates. In many EU countries, the Eurosceptics have been stripped of all positions. Indeed, in respect of my own party, the previous Government introduced under Tony Blair a list system of proportional representation. That enabled the party to strip out all Eurosceptics from the European parliamentary party and to make sure that all European Members were onside with the EU. It also lost us scores of seats, but that was a minor sacrifice compared with the importance to previous leaders of making sure that all the Members of the European Parliament in our party were on the side of the EU. Unfortunately, it also enabled certain extreme parties to get seats in the European Parliament. I put it to both Front-Bench teams that we should return to a single-Member seat, first-past-the-post electoral system for the EU. I look forward to that day, and I hope that we will achieve it.

Some Members talked about the possibility of other opt-outs. I would like to think that at some point a member state—perhaps Britain—might choose to opt out of something of which they are currently a member. I suggest as a starting point giving notice that in five years—or whenever—we will opt out of the common fisheries policy and restore our control over British fisheries, and thereby restore the fishing stocks and stop the nonsense of discards.

There are so many things we could say about the EU, but the fundamental point is that the people of Britain and of all member states want a greater say in what happens to the EU. I do not think they like the euro, and I do not think they like the sense of being controlled by a bureaucratic regime in Brussels. They want to have democratic control through their member states. That way, we can have better relations between those member states, because then we will feel free to be friendly with other states as we will have control of our own country and will not be controlled by anybody else. Coming together on a voluntary basis as a friendly, comradely association of member states is the future for Europe that I think would be overwhelmingly preferred by the millions of people of all the European nations.

I am happy to support the Bill, but I would like it to be stronger.

9.14 pm

Chris Heaton-Harris: I, too, thank the Minister for Europe for being so precise in many of his answers to the questions that we have raised. I also thank my hon. Friend the Member for Stone (Mr Cash) for asking more awkward questions than I would ever dare, and the Labour Front Benchers for adding to the debate, although they did so only partially because they just sat there really. However, I did welcome the contribution made by the hon. Member for Wolverhampton North East (Emma Reynolds). It was probably the most coherent of the lot, so I congratulate her.

The shadow Foreign Secretary's remarks about the Government taking their eye off the ball when it should have been concentrating on these important matters were slightly unfair, especially as they came from someone who, when in a slightly more junior job on the Government Benches, was known in European circles for going missing, not all the time, but on one particular occasion. He was being called to speak in the European Parliament by President Borrell when he unfortunately stepped out to take a very important phone call and left just an empty chair next to a startled UK official. President Borrell did not know who the then Minister for Europe was or what he looked like—he had been told he was a young precocious man who was raring to go—and so, thinking that the UK official was the right hon. Member for Paisley and Renfrewshire South (Mr Alexander), he called him to speak. In the end, a cross and flustered Minister rushed into the Strasbourg plenary session to catcalls, boos, whistles and derogatory laughter—and that was after he gave his speech. It is the way his Government handled these European issues that makes this European Union Bill all the more important.

Just about everyone who has spoken has taken on board and asked the Minister for more clarification about one surprisingly consensual part of this Bill. That is the general dissatisfaction with the way we scrutinise EU legislation in this place. We talk about this quite a lot, but a written ministerial statement made a number of vague proposals. I know it was an invitation for this House to do more, but will the Minister say what he would expect this House to do to take him up on this offer? Does it involve the Chairman of the European Scrutiny Committee writing a letter to him, forming a team with ministerial officials and taking this matter forward? Everybody in this place wants to do the job of scrutinising European legislation better and we would like to know exactly what the slightly vague couple of sentences in the written ministerial statement actually mean.

The Bill now goes down the Corridor and the strange noises we hear in the background are those of tombs opening and biographies being dusted down by the great and the good of the former diplomatic service, who intend to remind everybody of how everything was so much better when they were left to operate behind closed doors with few checks or balances and how those bloomin' elected people, of all political persuasions, down the other end of the Corridor are wrong because they always try to react to public opinion. I would like to think that one of the strongest arguments for this Bill is the fact that we are dragging all this out into the open and binding the hands of Ministers when they go into negotiations in Europe, although not as much as I would like. The noise that is coming in opposition to the Bill only strengthens the Minister's hands in getting this through.

9.18 pm

Priti Patel (Witham) (Con): I wish to raise just a few points, but I first wish to welcome the Bill and the introduction of the referendum lock. I congratulate the Minister for Europe on the way in which he has addressed many of the concerns raised during the passage of the Bill, particularly as regards my amendments and new clauses. I thank him for his perseverance with me and my arguments. He has given some strong commitments on transparency in the EU, on improving cost-benefit analysis, and on having better impact assessments and more EU legislation held to account in this Parliament. He has also rightly given us warm words on ending the era of Departments gold-plating directives and legislation from Europe, as well as on the long overdue one in, one out rule for European regulations.

The Bill will safeguard against some European power grabs—which is of course more than important, long overdue and welcome—but, alas, not them all. As my right hon. Friend the Foreign Secretary said earlier, the Bill is not a panacea for all the EU's ills, but it is clearly a step in the right direction. There are areas where the EU already exercises competence, as laid down in the Lisbon treaty, and where it can secure more powers from Britain, without the need for any safeguard in Parliament or by triggering the referendum lock in the Bill. The Bill does not deal with those matters, but I continue to urge the Government to do everything possible to prevent British interests from being undermined in that way. I would press the Government to work towards repatriating powers from Europe to this country, to protect our sovereignty and to renegotiate our financial contributions and the colossal sums of money that we hand over every year to the EU.

Finally, as we know, the Bill deals with the EU, but as we have seen with prisoner votes recently, this country's ability to make its own laws is being undermined by another European body: the Council of Europe and its Strasbourg-based institutions, with their increasing desire to exert control over our country and to undermine Parliament and British democracy, and the regular issuing of diktats that the European Court of Human Rights considers but that escape parliamentary scrutiny. I therefore briefly urge the Minister and the Foreign Secretary to consider introducing a similar package of measures and reforms to improve the democratic accountability of those institutions and to ensure that British laws, as we have heard throughout the passage of the Bill, are made in Britain by the British, and that we effectively put the national interest first.

9.21 pm

Mr Bone: It is a great pleasure to follow my hon. Friend the Member for Witham (Priti Patel), who, as usual, made a powerful speech and, of course, mentioned the colossal amount of money that we give to the European Union for redistribution. In other words, it is rather like foreign aid, except perhaps that it is not used for the best purpose. Under the last five years of the Labour Government, £19.8 billion net was given to the European Union. Unfortunately, under the first five years of the coalition Government, the figure will be twice that amount, and she made a powerful point.

[Mr Bone]

Earlier today, I visited Lancaster House for international women's day and the launch of the fund for groups that want to help the victims of human trafficking. It was brought to my attention by Maria Grazia Giammarinaro, who is a United Nations special representative and co-ordinator for combating trafficking in human beings, that such things do not stop at the European Union; they go much further and cross borders.

When we started to debate the Bill many weeks ago, my hopes were raised that we would discuss much wider issues than we got round to discussing. Tonight, of course, we have heard a lot of powerful speeches. I must praise our Front-Bench team. Obviously, whenever I listen to the Foreign Secretary, I am always convinced by his arguments, even when he is totally wrong. Again, I was convinced tonight. When the shadow Secretary of State spoke, he absolutely convinced me that the Government were totally correct.

The shadow Secretary of State did not say—I should have liked to intervene to ask him—whether, when the Bill becomes law and if Labour Members ever came to power again, they would actually honour it. Of course, we are now talking about fixed-term Parliaments, so it is quite possible that Labour Members will be sitting on the Government Benches without a general election, but the right hon. Gentleman did not answer and avoided saying whether they would support the referendum lock.

Obviously, my hon. Friend the Member for Stone (Mr Cash) has for years led the battle for sense in the European Union. Now that he is Chair of the European Scrutiny Committee, we seem to be getting a lot more European business in the House. That is to be wholly welcomed, at least by myself. He told us about his pamphlet, which, I understand, is for sale in all good bookshops, but he did not tell us one thing: how many euros it costs.

As usual, my hon. Friend the Member for Hertsmere (Mr Clappison) made the most powerful of speeches with which I agreed entirely. That brings me on to the Minister for Europe, who has been in his usual great humour and on top of everything. He has been an absolutely wonderful No. 2, and it is obvious that when the reshuffle comes, perhaps on 6 May, he will be promoted to a Cabinet role. The obvious answer for the new Minister for Europe is my hon. Friend the Member for Hertsmere. May I put in that bid?

The hon. Member for Luton North (Kelvin Hopkins), who spoke from the Opposition Benches, was wonderful. He made his normal pro-European speech, which was against the EU. It is a great shame that all the Members on that side of the House do not share his views.

Recently, I was in Portugal on human trafficking business. I learned a lot about the EU there and was able to discuss the European Union Bill with the person sat next to me at dinner, who was a communist. I found that the Portuguese Communist party and I have a lot in common—we both want to come out of the EU.

9.25 pm

Mr Buckland: I am sure that my hon. Friend the Member for Wellingborough (Mr Bone) meant that he was on all-party parliamentary business on human trafficking in Portugal, and I am more than happy to set the record straight on his behalf, as he has been not only my colleague, but my very good friend, for many years, including when I was fighting elections in south Wales and attracting record numbers of votes cast against me. At one time, I had an unofficial competition on that with my hon. Friend the Member for Hertsmere (Mr Clappison), who himself had been a valiant by-election candidate in another part of the country. I think I won that contest.

In that context, I was very attracted by the speech made by the hon. Member for Luton North (Kelvin Hopkins), who reminded us that, at one time, there used to be such a thing as socialist MEPs representing the British Labour party. I remember standing against one in 1994 who beat me by an Olympian margin, but whom I distinctly recall saying in a public meeting, when asked about the four freedoms, with which we are all familiar as underpinning the treaty of Rome, that he disagreed with every one of them. His approach was rather more of the school of Joseph Stalin than that of Jean Monnet. I am almost nostalgic for those days, and I am sure that there are Labour Members who share that nostalgia.

To come fully up to date, this has been a thought-provoking debate not only on Third Reading but in Committee and on Report. In particular, during consideration on Report today, we had an interesting and important debate about how the House will deal with issues relating to the EU. My hon. Friend the Member for Daventry (Chris Heaton-Harris) asked one of the most important questions of Ministers: how are we, together, to develop a proper system by which we not only scrutinise European proposals and legislation but behave more proactively? In other words, how do we initiate thematic debates about the future of the EU, whether that be on issues such as enlargement, external trade or the environment? We could take our pick.

It is time for a far more proactive approach to be taken. Far too often, we have simply reacted to the proposals emanating from the European Commission. Like all good democrats, a lot of us have a problem with the concept of a civil service that initiates policy. That has fundamentally over the years vexed many British parliamentarians, who are used to a system of a civil service that enacts policy initiated by elected politicians—although between 1997 and 2010 that line was sadly blurred. That is the fundamental dilemma that has faced many of us over the years when we have wrestled with the issue of the EU.

I was amused by the contribution made by the right hon. Member for Paisley and Renfrewshire South (Mr Alexander), the shadow Foreign Secretary. After 13 years in which the locusts ate on Europe, it takes a lot of chutzpah to stand up and lecture the Conservative party and this Government on their approach to the EU. We had a 13-year vacuum—policy inertia, confusion and chaos—which was another chapter in the history of a political party whose stance on Europe has veered from the ridiculous to the even more ridiculous. I may still be a fairly young person, but I remember facing a Labour party not so many years ago that advocated withdrawal from the European Union.

The proper debate on Europe has in the main, with a few honourable exceptions in the Opposition, remained fairly and squarely within the confines of the Conservative party. I make no apology at all for the fact that at times the debate has become heated—some would say acrimonious—and difficult for the Conservative party, but in 2011 perhaps it is time for us to stand back, take stock and accept the fact that with that debate comes creative energy. I like to see the Bill as another example of that energy.

The Bill is by no means an end. It is a mere stage, but an important stage which reflects the fact that the era of professional diplomats making decisions in closed rooms has gone, as it should have done. Now is the time for a reconnection between politicians and the public. What better way to do that than via the mechanism of referendums? The Bill makes that important concession and makes it in a careful and considered way.

I have always been somebody who can be described as positive about our membership of the European Union. I make no apology for that. I made the same point on Second Reading. I have been convinced for many years about the economic and political case for our active and leading membership of that institution. I am, however, deeply sceptical about moves towards further European integration when it comes to the criminal law, for example, jurisprudential issues or the encroachment of the judiciary on matters that are properly the province of this place and of politics.

My hon. Friend the Member for Stone (Mr Cash) is right when he reiterates in his eloquent way the point about judicial encroachment. He is right to say that that is not a problem peculiar to the institutions of Europe. It cuts right across the balance of power domestically. The decision of the previous Government to create a Supreme Court, which was a regrettable and mistaken decision, reinforces the creation of two cultures—a culture of judicial interference and judicial we-know-bestness, as opposed to a culture of political control and power exercised by democratic representatives of the people.

Nobody in the House can safely say that we are out of the woods on that issue. It is one of the defining issues of our times. It was wise of Ministers to accept the fact that there are aspects of the Bill that will be subject to judicial review. The Bill is no exception to a general rule that whatever Bill the House and the other place pass, we are increasingly at the mercy of applications for judicial review. That is not something that we will be able to resolve tonight, but from tonight we will be able to move forward to the new approach to the development of policy on Europe that all of us in the House want to see—an openness from Ministers at the Dispatch Box, a frankness in assessing the importance of decisions made by the Council of Ministers, and a real partnership between those of us who sit on the Back Benches as legislators and those who sit on the Front Bench as our representatives in the Councils of Europe.

I will end on this note: there is a salutary lesson from history about the dangers of Executives being too far removed from the will of the legislature on matters of foreign policy. Let us remember what happened to President Wilson when he came back from the Paris peace conference as the leader of the political world about to take a brave new stride into the League of Nations, only to find that his legislature was not with him. At a stroke, American foreign policy was changed. There needs to be a careful interlink between the will of the House and what our Ministers do in the Councils of Europe, which is why I support the Bill as an important step forward in that process.

Several hon. Members *rose—*

Mr Speaker: Order. The winding-up speeches will begin at 9.45 pm. I am keen to accommodate two further speeches before then, if humanly possible.

9.35 pm

Richard Drax (South Dorset) (Con): It is a privilege to follow my hon. Friend the Member for South Swindon (Mr Buckland). I, too, pay tribute to the Minister for Europe; if the debates have confirmed only one thing in my mind, it is that he and I are poles apart. For me and many of my constituents, it has been sad to watch a once-proud sovereign nation hand over more and more powers to Europe. This federal beast grows bigger by the day, and those it does not seduce it consumes. I have a warning for our party at the ballot box: unless we take a tough stance on Europe, we will pay dearly at the next general election.

Labour promised us a referendum on the Lisbon treaty and reneged on that promise. We have inherited a thoroughly unsatisfactory situation which we hope the Bill will somehow mitigate. I welcome the opportunity to call a referendum on any proposed EU treaty or treaty change that transfers more powers to the EU, but I have grave reservations about whether those measures will prove effective.

It is important to remind the House that five new powers have already been transferred: a European Action Service has been created; the European arrest warrant has been extended; EU regulations have been imposed on the City; EU oversight on our national budget has been agreed to; and our contribution to the EU budget has been increased, despite our objection. As I understand it, the Bill would not have prevented any of those transfers of power.

Even the significant clause 18 is under siege from various legal interpretations. Some highly respected Members of this House do not believe that it will safeguard our sovereignty, and I agree with them. I pay particular tribute to my hon. Friend the Member for Stone (Mr Cash) for all the work he does to stand up for the national interest. It is not a bit of fish or meat for the Eurosceptics, as the Opposition claim. The truth is that it is done in the national interest.

Every day there is further evidence of Europe's creeping influence on our laws, liberties and livelihoods. This week alone, anti-discrimination legislation has been interpreted in the most extraordinary way by the European Court of Justice, which has ruled that insurance companies may no longer differentiate between men and women. In calculating pension annuities, the Court has decreed that payouts must be the same, despite evidence that women live longer—I think I understand why. Similarly, women will face higher driver insurance premiums, although statistics prove that they are involved in fewer accidents than men. Both rulings are imposed on us by a foreign court and by judges who are unaccountable and unelected. Surely it is time for this country to stand up for itself.

If any referendum should be held, it should be the one that we were promised. We all know what the outcome would be. Then, and only then, would the lion that once was this country roar again. Once more, we would be in charge of our economy, our laws, our rights, our borders and immigration, to name but a few

[Richard Drax]

matters. I shall be voting with the Government tonight if the Bill is pressed to a vote, because it is better than nothing. I remain deeply sceptical that it is nothing more than a fig leaf, but frankly, a fig leaf is perhaps better than running around, vulnerable, in the buff.

9.39 pm

Mr Redwood: I, like my right hon. and hon. Friends, welcome the two aims of this legislation. The first, to hold a referendum on any future transfer of power, is vital to try to secure some democratic legitimacy for what might happen next. The second, to assert that this House and Parliament in general is sovereign, even over European law, is excellent, but I hope that Ministers will take away from this debate the great sense of unease among many colleagues, who feel that the Bill does not deliver what Ministers say it intends to.

As my hon. Friend the Member for South Dorset (Richard Drax) just said, we face a large transfer of powers in all sorts of areas at the moment—in criminal justice, in City and business regulation, in the External Action Service and, soon, in economic governance. Any one of those areas would deserve a referendum, but the whole lot together would make a good package for testing out the Government's new enthusiasm for democracy and the debating skills of the Opposition, who say that that is exactly what the British public want. What is stopping them, other than fear and the belief that, perhaps, the British public would not vote for such measures after all?

I am also worried about the assertion of the parliamentary sovereignty clause. My hon. Friend the Member for Stone (Mr Cash) has probed and tested it, and there are legal dangers on the route that we are now taking. Sovereignty is something that we have for a period if we are prepared to use it, but it is also possible to let it slip away or to lose it, and we cannot make this Parliament sovereign by a single clause in a piece of legislation. It means nothing. This Parliament will be sovereign again only if it wishes to be; this Parliament will be sovereign again only if it has some political will; this Parliament will be sovereign again only on the day it says to the European Union, "We disagree with you on this. You will not give us what we want by negotiation, so we are going to legislate for ourselves." Ministers should not pretend that this Bill has resolved the problem.

Let us take the issue of fish. I have heard Ministers, from all parties that have been in government, say to the House that they, like me, thoroughly disagree with the discard policy, think that it is wrong and intend to negotiate a better answer. No better answer has been negotiated. We gave the European Union 20 years' warning. Why do we not simply legislate now to take ourselves out of the common fisheries policy and show that this Parliament is sovereign and works in the interests of the British people and a great British industry.

Mr Davidson: Will the right hon. Gentleman give way?

Mr Redwood: I do not have time, otherwise I would be very happy to.

Mr Davidson: You have the support of Labour's Back Benchers!

Mr Redwood: That's great; I am very glad that I have the support, from a sedentary position, of Labour's Back Benchers.

If this Parliament is never prepared to legislate against the views and wishes of the European Union, people will rightly conclude that the European Union is now sovereign. I mentioned in earlier debates on this legislation that the Crown remained sovereign for a long time in our country, and that Parliament whittled its powers away. There is no precise date on which people all agree that the Crown ceased to be sovereign and that Parliament replaced it, but the situation illustrates that, if we make too many concessions, make too many mistakes and grant too many powers on lease, one day we will not be able to get those powers back. The Crown discovered that it had given away too many powers and lost too many battles, and perhaps power finally resolved to Parliament on the day when they murdered—or killed—the King. That was a fairly definitive act, but it took place after a long series of battles and struggles when power had been ebbing away from the monarchy—and the monarchy was invited back.

I want no such violence in resolving the issue with the European Union, but I do want some political strength and some political substance. Surely, the European Union now does so many things that rile the British people that we should take matters into our own hands.

As my right hon. Friends on the Front Bench will always want to be diplomatic and to negotiate, I give them this final thought in the few minutes that I am allowed. The Germans, for their own reasons, think that they need a treaty change to accommodate the bail-out activities and the huge increase in economic governance powers that they intend to take over the other member states of euroland. They need our signature on that, even though we are not a member state of euroland.

I do not believe for one moment that we will be exempted from many of the requirements for information and common policy formation and negotiated solutions, even if we are opted out for the time being from the power of the fine. We will be dragged into the situation. I wish the Government would not only say, "We have no intention of being dragged into it and seek clearer language," but to confirm that, say, "As proof of good faith, we want economic powers back." The latest language from the Government suggests that we are going to keep control over the main elements of our taxation system, not our taxation system as a whole—a red line that the previous Government always said that they had attempted to preserve. We can see the drift in economic powers and economic governance.

The British Government must stand up for British interests. They will have ~~no better~~ chance than the new treaty that is about to be negotiated—so please, Government, use it, don't lose it.

9.45 pm

Mr David: As we come to the end of this Third Reading debate, it is worth reflecting on the impact that the Bill has had on Britain's standing in Europe and the world. With unemployment rising and living standards falling, and with people the length and breadth of Britain concerned about the health service and the education of their children, this Government have placed before Parliament a Bill that is monumentally irrelevant to the needs of this country.

Although there are parts of the Bill that Labour Members support, I believe that we have demonstrated that large sections of it are ill conceived, ill thought out and contradictory. While the Government have singularly failed, and did not even try, to address the issues that are at the forefront of the minds of the British people, they have succeeded in sending a clear message to our partners in Europe—that this Government do not have a coherent European policy. Where we should have consistency and vision, we see inconsistency and ambiguity. Instead of promoting our national interest in the European Union with vigour and determination, we see a Government ignoring the reality of the modern world—a Government who look in on themselves and see bilateralism as a simplistic alternative to the multilateral engagement that is vital in a fast-changing world.

Such an approach is determined not by what is in Britain's national interest but by political expediency that places above all else the maintenance of an unholy coalition of pro-European Liberal Democrats and Conservative Eurosceptics. However, as the seven days of debate on this Bill have demonstrated, the Eurosceptics have recognised that this Bill is a ham-fisted attempt to placate them—and if that has been the intention, it has clearly failed. I disagree with many of the arguments of the Eurosceptics, but I recognise their honesty and tenacity. I pay particular tribute to the hon. Member for Stone (Mr Cash) for his work and that of his Committee, the European Scrutiny Committee. Without their hard work and the excellent documents that they have produced, the debates in this House would have been nowhere near as good as they were.

If the Government have failed to buy off the hon. Member for Stone and his colleagues, they have failed, equally, to convince prominent Liberal Democrats that their anti-European tone is more apparent than real. Only this morning, I received a copy of a letter sent by a federalist Liberal Democrat MEP who is a former leader of the Lib Dems in the European Parliament—Mr Andrew Duff. Mr Duff has written to the President of the European Parliament, Jerzy Buzek, proposing a new treaty provision. It is interesting to see what he has written. I quote from his letter:

> "Dear Jerzy...As you will be well aware, the British Parliament is about to enact a law which will install and entrench referendums as part of the UK's national ratification process for all important amendments of the European Union treaties...That being the case, I believe the time has come to lighten somewhat the European Union's procedure for treaty revision...I propose that"

the European

> "Parliament launches an initiative...so that all future treaty revisions will enter into force once they have been ratified by four fifths of the States."

This means that Mr Duff wants to abolish the need for unanimity among member states and is quite happy for treaty changes to be imposed on the British people and the British Parliament. If anything shows how the Bill has exposed the fault lines in this hapless coalition, it is that absolutely ridiculous letter from the Liberal Democrat, Andrew Duff.

To be serious, one of the most worrying consequences of the Bill is that it seriously questions Britain's full participation in the European Union. Nowhere has that been more keenly demonstrated than in the comments of the United States ambassador to the United Kingdom. Just a few weeks ago, Ambassador Susman stated that the United States valued the special relationship between the US and Britain. However, he thought that it was also vital for Britain to play a strong role within the EU. Because of the negativity caused by the Bill, Mr Susman felt that it was necessary for the UK to rule out withdrawal from the EU. I am pleased that the Prime Minister has done that. The United States recognises, even if this Government do not, that Britain's influence in the world requires it to be an active participant in the EU.

After consideration in this House, the Bill will go to the other place. I sincerely believe that it will be scrutinised in detail, and that its fundamental flaws will be not only criticised, but corrected. As it stands, the Bill will lead to a questioning of our parliamentary democracy, a weakening of Britain's role in the world, and a diminution of our influence in the EU. The British people deserve better, and I hope—indeed, I am confident—that the other place will bring about the much-needed change.

9.51 pm

Mr Lidington: I thank all Members who have taken part not merely in today's debate, but during the seven days of debate that we have devoted to the European Union Bill. I also pay tribute to the team of officials in the Foreign and Commonwealth Office. They have worked tirelessly for very long hours, frequently at weekends, to ensure that the Foreign Secretary and I have been briefed, and that our responses to the debates have taken account of the various and detailed points raised by individual Members from all parts of the House. Our officials have demonstrated a commitment to impartial public service in the best traditions of the British civil service.

As the Foreign Secretary said, we owe a debt of gratitude to all who have played their part in the comprehensive examination of the Bill. Why the hon. Member for Caerphilly (Mr David) ever dreamed that my hon. Friend the Member for Stone (Mr Cash) could be bought off, I cannot imagine. Having worked as a colleague of my hon. Friend for nearly 19 years, and having had dealings with him even before I entered the House, I am in no doubt whatsoever about his principle, tenacity and utter rectitude in refusing to be bought off by any Minister of any Government while he has served in this House.

The debates on the Bill have enabled us to identify, in large part through the assiduous work of my hon. Friend the Member for Daventry (Chris Heaton-Harris), areas where there were gaps in the Bill's realisation of policy intent, and have allowed us to bring forward amendments. The debates have also provided an occasion for the House to reflect more broadly on issues of parliamentary scrutiny. My hon. Friend asked me a very direct question. The Government are in the initial stages of considering what sort of arrangements we wish to pursue. Although I have met my hon. Friend the Member for Stone and the Chairman of the Scrutiny Committee in the Lords, I have yet to meet the Chairs of the Select Committees on Justice and on Home Affairs, who clearly have an interest in the justice and home affairs measures that are coming forward under Title V.

I believe that it is for Parliament to determine how it collectively wishes to pursue the issue. It may be that other Select Committees, such as the Liaison Committee

[Mr David Lidington]

or the Backbench Business Committee, wish to take views or seek opportunities to debate the matter more broadly. I make no presumption as to what the outcome will be, and I know that my hon. Friend the Member for Stone told me sternly that Parliament would not be told by the Government what scrutiny it should carry out, and that it would come forward with its own thoughts and opinions. I look forward to a vigorous and constructive debate about the shape of future scrutiny arrangements.

The Bill represents an important advance, not least because all parties represented in the House support the principle of it. None voted against it on Second Reading, and even the Labour party now accepts, in the words of its amendment to the Second Reading motion, that

> "the principle of referendums on significant constitutional and monetary changes is appropriate".

That is a real breakthrough, a belated recognition by the Opposition that for too long, major decisions on Europe's future have been taken without the consent of the British people—the very mischief that the Bill addresses and seeks to put right.

As my right hon. Friend the Foreign Secretary said a short while ago, the Bill does not address, and is not intended to address, every problem and challenge to do with the UK's relationship with the European Union. We take as our starting point the distribution of competences laid down by the treaties, an approach that does not go as far as a number of my hon. Friends would like. However, I say to my hon. Friend the Member for Hertsmere (Mr Clappison) that we will indeed be vigilant in examining the proposals coming forward from the European Commission or other member states in respect of the competences that the EU already has.

The Bill embodies three fundamental principles: that the British people, and they alone, should have the final say on whether new competences or powers should be transferred from this place to the European Union; that Government should be more accountable to both Parliament and the British people for the decisions that we take in Europe on behalf of the UK; and that Parliament should have more say over treaty changes and the use of ratchet clauses.

There are plenty of things that are wrong with the EU and plenty of flaws in it, and we have heard a lot about them during the debates on the Bill, but I believe that there are also many things that we can and should do together with our partners in the EU to secure the greater prosperity and security of this country and the continent of which we form part. That is why the Government believe it is in the interests of the UK to be active and activist within Europe, and that we need to engage effectively and energetically with our European partners to secure common objectives.

If that is to succeed, however, we have to address the disconnection that exists between the British people and the way in which decisions are taken on their behalf in Europe. Contrary to what the hon. Member for Caerphilly suggested, I find sympathy from European counterparts to whom I talk privately, because they are aware that public disaffection is felt in many other member states, not just here. The Bill, which is intended to remedy that disconnection between the public and the EU, is an essential requirement of the EU's democratic legitimacy in this country. By passing it, we can start to rebuild public trust by returning greater power to the British people, from whom it derives. That is what the Bill does, and that is why I commend it to the House.

Question put and agreed to.

Bill accordingly read the Third time and passed.

Business without Debate

WELSH GRAND COMMITTEE

Ordered,

That—

(1) the matter of the Budget as it relates to Wales be referred to the Welsh Grand Committee for its consideration;

(2) the Committee shall meet at Westminster on Wednesday 30 March at 9.30 am and 2.30 pm to consider—

(a) a Ministerial statement by the Chief Secretary to the Treasury, proceeded with under Standing Order No. 105 (Welsh Grand Committee (ministerial statements));

(b) the matter referred to it under paragraph (1) above;

(3) the Chair shall interrupt proceedings at the afternoon sitting not later than two hours after their commencement at that sitting.—*(Stephen Crabb.)*

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

Ecclesiastical Law

That the draft Grants to the Churches Conservation Trust Order 2011, which was laid before this House on 13 January, be approved.—*(Stephen Crabb.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

Local Government

That the draft Local Authorities (Mayoral Elections) (England and Wales) (Amendment) Regulations 2011, which were laid before this House on 2 February, be approved.—*(Stephen Crabb.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

Environmental Protection

That the draft Marine Licensing (Licence Application Appeals) Regulations 2011, which were laid before this House on 7 February, be approved.—*(Stephen Crabb.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

Environmental Protection

That the draft Marine Licensing (Notices Appeals) Regulations 2011, which were laid before this House on 7 February, be approved.—*(Stephen Crabb.)*

Question agreed to.

PETITIONS

Higham Hopper Bus Service

10.1 pm

Mr Peter Bone (Wellingborough) (Con): Mrs Hale, from Higham Ferrers, is a doughty lady, and she is campaigning to keep the Higham Hopper bus service.

The petition states:

The Humble Petition of residents of Higham Ferrers, Northamptonshire and surrounding areas,

Sheweth that there is a considerable and ongoing need for the Higham Hopper bus service; that this is a vital mode of transport for the elderly and people with mobility problems; and that it is of the greatest importance that this bus service continues to provide transport for residents in Higham Ferrers and the surrounding areas.

Wherefore your Petitioners pray that your Honourable House urges the Secretary of State for Communities and Local Government to request that Northamptonshire county council, in conjunction with East Northamptonshire District Council and Higham Ferrers parish council, explores ways in which the Higham Hopper bus service can continue to operate.

And your Petitioners, as in duty bound, will ever pray.

[P000893]

Mobility Component of Disability Living Allowance

10.2 pm

Mr John Leech (Manchester, Withington) (LD): I should like to present a petition on behalf of the Muscular Dystrophy campaign. It has been signed by nearly 1,200 people who are opposed to the proposed changes to disability living allowance.

The petition states:

The Petition of supporters of Muscular Dystrophy Campaign and others,

Declares that the Mobility Component of Disability Living Allowance (DLA) helps to meet the higher costs of accessible public transport (where available), or makes an individual eligible for an adapted vehicle through the Motability scheme; that without DLA mobility component, thousands of adults of all ages with severe disabilities who are supported by the state to live in residential care will be unable to retain voluntary employment or simply to visit family and friends; that many families with children attending residential schools will not be able to fund their own adapted vehicle, and as residential schools only provide transport for the start and end of term, with no extra provision for weekends or holidays, disabled children may end up stuck as prisoners in their own home during school holidays, unable to take part in leisure activities, or even attend essential hospital appointments; and that the decision to cut this vital benefit for children in residential schools and adults in residential care will deny thousands of disabled people the chance to live full and independent lives.

The Petitioners therefore request that the House of Commons urges the Government not to cut the Disability Living Allowance Mobility Component for people living in residential care—including children attending residential schools.

And the Petitioners remain, etc.

[P000894]

Refurbishment of Hillbourne School, Poole

10.4 pm

Mr Robert Syms (Poole) (Con): I should like to thank Poole borough council, and Councillors Judy Butt, John Rampton and Les Burden, for taking up this petition.

The petition states:

The Petition of residents of the Borough of Poole,

Declares that Hillbourne School in Creekmoor Ward is in urgent need of refurbishment.

The Petitioners therefore request that the House of Commons asks the Department for Education to make the school the highest priority for resources as they become available.

And the Petitioners remain, etc.

[P000895]

Regulation of Bus Services (Leeds)

10.5 pm

Greg Mulholland (Leeds North West) (LD): I would like to present a petition on behalf of the residents of Leeds and supporters of the Fairer Fares campaign convened by Leeds campaigner Stuart Long, and the Leeds student bus campaign organised by Leeds university union.

The petition states:

The Petition of residents of Leeds and supporters of the Fairer Fares Campaign,

Declares that the Petitioners believe that there is a need for Leeds to have a regulated bus service that provides a regular service for the community, with an honest fare that is not just for profit; and notes that such a bus service must provide an improved customer service that helps the people of Leeds in their day to day lives.

The Petitioners therefore request that the House of Commons urges the Government to take steps to regulate the bus service in Leeds and to ensure that the service is honest and reliable.

And the Petitioners remain, etc.

[P000896]

Humanitarian Disasters

Motion made, and Question proposed, That this House do now adjourn.—*(James Duddridge.)*

10.6 pm

Mr Gareth Thomas (Harrow West) (Lab/Co-op): Mr Speaker, I am grateful to you for selecting this subject for debate, and to have not only the Minister who will respond to the debate but the Secretary of State in the Chamber.

The number of people affected by natural disasters, such as earthquakes, cyclones, famines and so on, is set to increase hugely over the coming years. Crucially, the international community's ability to respond needs to continue to improve too. I sought this debate because I worry that the trend is in the wrong direction. Oxfam, in its evidence to the Minister's humanitarian response review, noted that the international humanitarian system risks no longer being a cohesive global system, and that its effectiveness is at risk just when it should be increasing. It called for renewed political leadership by the UK and other major donors to ensure adequate UN humanitarian leadership. World Vision has also highlighted the need for stronger humanitarian leadership.

Britain is one of the many nations that contribute to UN appeals responding to disasters, but it is one of a far smaller number of nations genuinely interested in driving reform across the UN development and humanitarian system and willing to put in the hard yards in international forums to champion that reform. I recognise that the Government have not yet completed their humanitarian emergency response review. Nevertheless, I hope that the Minister will feel able to provide a full response, and I ask him directly what he and his Department are doing to ensure that the UN can lead the immediate humanitarian response to natural disasters effectively.

How often have Ministers initiated discussions with EU colleagues, the US and other countries on the UN's ability to respond to disasters? I have no doubt that there is plenty of contact when a disaster strikes, but it is between times that leadership from Department for International Development Ministers—and, indeed, Ministers from across the Government—continues to be required. Essentially, there are five issues of continuing concern involved in how the UN leads the international humanitarian system: funding, personnel, co-ordination, reporting and disaster risk reduction. In the medium and longer term, there is also a second group of issues associated with how the broader UN development system responds to the challenge of development after the immediate humanitarian response phase of a disaster is over.

Jim Shannon (Strangford) (DUP): Does the hon. Gentleman share my frustration, and that of the general public, over the Haiti disaster? Clearly the general public wanted something done, the money was gathered and the UN responded, yet a year or 15 months later, the work that we expected to see in Haiti has not been done. Does he share that frustration with me and others in the Chamber?

Mr Thomas: There are many reasons why the international community has not met the scale of the task in Haiti. Certainly, there were issues with the UN's response, which demonstrated the continuing need for reform, but Haiti's long-term poverty and instability have also been factors.

Nevertheless, what happened in Haiti is one reason why approximately 263 million people were devastated by natural disasters in 2010—110 million more than in the year of the tsunami. Experts predict that by 2015, some 375 million people will be affected as climate change increases the risk of natural disasters, the vast majority of them living on less than $1 a day. Many will also be affected by conflict, but although the needs of people affected by conflict and the agencies involved in responding can both be similar, in this debate I want to focus on purely natural disasters.

I am an unashamed fan of the amazing British development NGOs that respond to disasters. I have had many times the honour and privilege of seeing or hearing about the courage, compassion and skill of those working for CAFOD—the Catholic Fund for Overseas Development—Oxfam, Save the Children, Islamic Relief, ActionAid, Christian Aid or one of the many, many other NGOs in responding to disasters. However, it is the UN that has to lead the international response to major disasters, and it is on the UN's capacity to provide leadership that I want to focus.

The expansion of the Central Emergency Response Fund to allow the UN to release funds and enable its agencies to react to disasters more quickly has been an undoubted success over the past five years, helping to improve the UN's leadership in major disasters and, crucially, in the under-reported and forgotten humanitarian crises that no longer attract media attention, if they ever did. My concern about CERF now is how well it is funded. At the end of last year there were reports that CERF—the UN's primary fund—was facing a $100 million shortfall. At the replenishment conference in December—I gently point out that no Minister attended it, which was unusual and disappointing—only $358 million was raised. Indeed, I was struck by the continuing poor contribution by key nations in the UN family, and in particular by how little the US and France contributed to support the UN's ability to respond.

In 2010 Britain contributed some $60 million to the Central Emergency Response Fund and $113 million collectively to the three UN humanitarian leadership funds. That compares with the US, which gave only $10 million—just over £6 million—to CERF, and the French, who gave a combined total of just $7.4 million: that is less than £5 million. In better times, when the contributions of other nations were higher and CERF was expanding, that was not such a problem, but with aid levels under threat—albeit not in this country—now is surely the time for the richest nations to continue to meet their responsibilities to those funds. Interestingly, Valerie Amos, Britain's most senior UN diplomat and head of the UN's disaster response agency, said in New York as recently as 21 January:

> "we…need to broaden the coalition of Member States who support multilateral humanitarian action, and we need to bring more partners into our existing response mechanisms".

What discussions has the Minister or his departmental colleagues had, or are they planning, with their US and French counterparts on funding for the UN's humanitarian funds?

The next issue is about people. Leading the response to a disaster requires remarkable leadership, and the UN's humanitarian co-ordinators are the unsung heroes of the international community. They are often required to be personally brave, and they need a capacity for punishing hours, day after day with little rest, and an ability to negotiate and co-ordinate with country Governments, donors and aid agencies, and often the military and myriad other bodies. The UN's humanitarian co-ordinators are, as it were, the Florence Nightingales of the international community; they are also, however, too few in number. I hope that the Minister will say what action the Department for International Development is taking to help the UN find and support a wider pool of people from which to draw humanitarian co-ordinators.

Also crucial are those who lead the work to provide each part of the humanitarian effort—the effort to provide shelter, water supplies, medical assistance, and so on—and specifically those UN agencies that have accepted responsibility for each of those tasks and that have struggled on occasion to find the right person, appropriately trained and able to be deployed at a moment's notice, to be that agency's leadership on the ground when a disaster strikes. So I ask the Minister what continuing discussions he is having with agencies with cluster leadership responsibilities about the availability of sufficient senior staff who can be deployed at a moment's notice.

The single biggest factor in getting agencies and non-governmental organisations to work together, to co-ordinate effectively and to ensure that all the key humanitarian needs are addressed is the availability of funding. Common humanitarian funds in-country have helped to drive better co-ordination in a number of situations. Sudan is an example. Will the Minister tell me how those funds are continuing to be rolled out? What is his assessment of their effectiveness?

Disaster risk reduction and the development of local in-country ability to respond to disasters is also essential. As Save the Children has noted, the contrast between the impact of the Christchurch earthquake and the Haiti quake is instructive. It is not impossible to predict where there might be a risk of big natural disasters occurring, and UN agencies need to help to build the ability of countries and communities to put in place measures such as tsunami early-warning systems and better building regulations, to ensure that such events lead to less damage and fewer lives being lost. Indeed, the Disasters Emergency Committee has just noted the need to prepare for the—sadly inevitable—next big urban disasters. That point is linked to the question that the hon. Member for Strangford (Jim Shannon) has just asked me. Again, I ask the Minister what action he is taking to promote disaster risk reduction efforts by the individual developing countries in which we continue to have an aid programme and by the UN agencies that we are continuing to fund.

Bob Stewart (Beckenham) (Con): In my experience, the United Kingdom has done extremely well in providing humanitarian aid; it is entirely supportive. Is the hon. Gentleman suggesting that we are not pulling our weight, and should be doing considerably more?

Mr Thomas: I share the hon. Gentleman's analysis of where we are—or certainly of where we have been. My point is that, with the shortfall in funding for the crucial UN humanitarian funds, we need to step up our efforts to persuade other countries to share our interest in and responsibility for the UN humanitarian system.

Linked to the hon. Gentleman's point, may I ask the Minister how he and his Department are encouraging debate about the issues that take centre stage in these discussions? Is an annual international forum being planned to bring Ministers together from across the globe to discuss how humanitarian issues are being—and, indeed, have been—handled? Such gatherings exist for officials, but is there one planned for Ministers? Ultimately, it is ministerial energy that shifts, or does not shift, the international system's gears.

Craig Whittaker (Calder Valley) (Con): I spent the recess in New Zealand working with the Parliament there, and I was there when the earthquake struck in Christchurch. The New Zealand people were incredibly grateful for the immediate response not only from our own country but from such countries as Singapore, Australia, Japan and, of course, America. I accept what the hon. Gentleman says about the UN effort, but does he agree that there is already a co-ordinated response that kicks in when many such humanitarian disasters occur?

Mr Thomas: I welcome the hon. Gentleman's words and his interest in the New Zealand situation, but I do not share his analysis of the general situation in many developing countries. I emphasise the contrast between New Zealand and elsewhere. The lessons from Haiti are quite instructive in that regard, because New Zealand had far more advanced contingency planning and systems in place, notwithstanding the challenges that still exist. It is for that reason that we need the UN, and the international humanitarian system that it leads, to continue to be effective and, given the increase in need that we are likely to see in the coming years, to continue to reform so that it can improve its work still further.

I return to the issue of the international forum. If the Minister does not have a plan to establish such a forum for ministerial discussions, will he at least ensure that this is a topic for an EU Development Ministers meeting? The Disasters Emergency Committee, that excellent co-ordinating body of non-governmental organisations in the UK, has just published a lessons learned document from the Haiti disaster. I gently suggest that such work needs to be considered and replicated in an international setting at a ministerial level meeting.

Jim Shannon: The hon. Gentleman is generous in giving way. One concern of many people is that when money is donated to help countries, there is an administrative angle to it. How much of that money actually gets through to the people? Is it effectively sucked up in the administration so that the money does not go where people want it to go?

Mr Thomas: A lot of the money pledged to the UN does get through to the sharp end, but that does not mean that there is no scope for improving the savings that can be found across the UN system.

The second broad issue I want quickly to raise is the reform of the UN development system and how UN agencies can be supported to step up their longer-term response to natural disasters. The Government need to

[Mr Thomas]

champion a joined-up UN response and to celebrate the One UN reform programme that is helping in some countries to ensure that the sheer plethora of UN agencies' funds, programmes and commissions add up to more than the sum of their parts. Again, leadership money and co-ordination are fundamental, so I ask the Minister what support he is giving through his Department to help to widen the pool of experience of dedicated UN resident co-ordinators able to lead that collective, co-ordinated UN development response. What resources are the Government putting in to One UN funds that force agencies to work together to deliver the prioritised response that countries need?

In our more financially difficult times, and given what the hon. Member for Strangford asked, what action is the Minister taking to encourage the UN to drive savings? For example, does every UN agency continue to need its own procurement or human resources function, as savings could be reinvested in the front line of the development and humanitarian effort?

Lastly, the World Bank is a distinct and different part of the UN family, but it is part of that family, too. It could do more, more quickly, to help countries to plan their response to disasters and could certainly do more to help disaster risk reduction work and assist countries to pre-plan their response to a disaster. The World Bank remains, however, far too Washington-focused. More of its staff with more devolved power need to be based in the developing countries that they are seeking to help. I would welcome hearing whether the Minister shares that view.

The UN is a remarkable group of organisations with remarkable people in key parts of the humanitarian and development systems doing a very important job and doing it well, but to be ready for the challenges of rising numbers of people being affected by natural disasters, it needs to continue to reform. It will do so only with the help of constructive and critical friends such as the UK. The UK, in turn, will be that consistent and constructively critical friend only if Ministers continue to take a profound and abiding interest in the two issues of UN humanitarian system and UN development system reform. I recognise that the Minister must reach his own judgment on the different elements of those reform agendas, but I hope he is interested enough to want to reach such a judgment.

10.23 pm

The Parliamentary Under-Secretary of State for International Development (Mr Stephen O'Brien): I thank the hon. Member for Harrow West (Mr Thomas) for raising this very important and timely issue. He has ministerial experience in the Department on which he has been able to build relevant knowledge. He is right to say that, in 2010, 263 million people were devastated by natural disasters—110 million more, as he said, than by the tsunami of 2004. Experts predict that the number of floods, famines and other climate-related disasters could increase to affect 375 million people every year by 2015.

Meeting global humanitarian need is a top priority for the UK coalition Government, which is why my right hon. Friend the Secretary of State for International Development set in train an independent review of the UK Government's response to rapid onset emergencies, so we can learn how to do this better.

May I take the opportunity to touch on the current hot spot? We are, of course, responding to the humanitarian situation in Libya and my right hon. Friend the Secretary of State was only last week at the Tunisian border, where he witnessed the complex situation first hand. He vowed that the UK would do everything possible to give the stranded shelter and to get them home as quickly as possible. It will come as no surprise to the hon. Gentleman that DFID was one of the first donors on the ground, responding quickly by placing experts on the borders to assess the situation. We immediately sent 38,000 blankets and 1,400 tents from DFID's stores to provide shelter for 10,000 people.

It was quickly established that at that point the situation on the borders was a logistical emergency rather than a humanitarian crisis. We sent chartered flights to take the returning migrant workers home, and yesterday the last of those flights was returning more than 500 Bangladeshis. We have also returned more than 6,000 Egyptians. That, along with the logistics experts that we have deployed to the airport, has significantly relieved the situation on the Tunisian border.

As the hon. Gentleman pointed out, however, the United Kingdom cannot address these grave issues alone. We must work as part of an international system. I was pleased to note yesterday that Baroness Amos, the United Nations emergency relief co-ordinator, had launched a flash appeal for Libya. It sets out the immediate needs of the affected population, and provides the all-important framework that donors and humanitarian agencies need in order to co-ordinate their efforts. It will also help to ensure that our international support always targets those who are most in need with the most appropriate support, doing no harm and respecting people's dignity.

As I said earlier, my right hon. Friend the Secretary of State has set up an independent humanitarian emergency response review, and my noble Friend Lord Ashdown will provide his assessment of it in the coming weeks. The review will consider how the United Kingdom can improve its effectiveness and prepare for the challenges of the 21st century. The hon. Gentleman himself said that he did not expect me to anticipate its outcome, but I can put on record that its recommendations will involve seven key lines of inquiry. They relate to the impact of UK humanitarian assistance; what an effective humanitarian response from the UK should look like; how the UK should support partners to deliver an effective response—a crucial point raised by the hon. Gentleman; how the UK can be an effective member of the international response community—another point that he raised; and how the UK should address the issue of accountability in humanitarian response. The review will also recommend an assessment of DFID's humanitarian policy, and urge the UK to ensure that the Department is "fit for purpose" in the context of 21st-century humanitarian challenges. I hope that the House will have an opportunity to debate the review's findings when my right hon. Friend the Secretary of State is able to set out his recommendations for future UK policy and action.

In view of the priority that we place on improving the effectiveness of the international system, the Secretary of State also commissioned a multilateral aid review.

A statement on the review was made in the House on 1 March, so I need not go into the details, but it is worth noting that it showed most—although not all—humanitarian agencies to be good performers providing good value for money. The reviews have identified key priorities for reform. We want to work with the agencies to ensure that the international response becomes better and the hard-pressed UK taxpayer receives value for money for every UK pound that is spent.

The reaction around the world since the announcement of the reviews from many Governments, donors and partners alike, and indeed from various international agencies—non-governmental organisations, civil society organisations, analysts and commentators—has been one of great interest in the process in which the international development team has been involved, not least in regard to the multilateral aid review. I hope that—partly in response to the hon. Gentleman's encouragement—the review will be seen as both a template and a pathfinder, and that the process will be taken up not just by individual countries but by the United Nations itself and its various agencies at all levels. We will try to ensure that that happens.

Notwithstanding earlier observations by a couple of Members about recent disasters in Haiti and Pakistan, I thought it might be helpful if, rather than dwelling on those disasters, I mentioned some of the lessons that have been learned. It is important that the innovations that can be brought to bear be understood. The Office for the Co-ordination of Humanitarian Affairs has established itself as pivotal in leading and co-ordinating the humanitarian response. It has strengthened the system of humanitarian co-ordinators in-country and the establishment of the UN cluster approach, as well as ensuring that humanitarian needs are met through joint assessments and that the finances are available to resource humanitarian action, all of which are crucial components of our modern toolkit.

Mr Thomas: At the same time as the Minister's Department was releasing details of its funding for the CERF conference, which I welcome, it briefed that CERF faced a shortfall of $100 million for the current financial year. Will the Minister therefore write to the US and France asking them to contribute more funds to CERF?

Mr O'Brien: I was about to come on to CERF, but may I first make sure that I confirm the point that through the appeals process not only are we becoming better at preventing the duplication of effort and improving value for money from a response, but we are much more focused on the evidence-based and results-based management that will help to improve that further? The UK is pressing this point on almost a daily basis, and various contacts and discussions have taken place.

When in opposition, we fully supported the establishment of CERF when that was introduced by the hon. Gentleman's colleague, the then Secretary of State. It was an innovation that improved UN country leadership and co-ordination, and resulted in a more timely and equitable humanitarian response according to needs. Since it was set up, the UK has been one of its top donors, and it recently did well in the multilateral aid review. My right hon. Friend the Secretary of State has authorised a doubling of the UK's support to CERF, announcing in December a £40 million pledge to this year's appeal for funds to it. We are recognised as leading by example, and I am very pleased that CERF is already swiftly providing financial support to the people of Libya.

To answer the hon. Gentleman's question, a considerable number of meetings are taking place with our various US opposite numbers and the French. I noted what he said about an annual international forum. That seems to me to be too infrequent. There is also the question whether there should be a similar forum for the EU. Rather than a set-piece meeting, there are frequent ongoing meetings. Indeed, I was in Paris on Thursday and took the opportunity to raise these points through a series of bilaterals.

It is important to recognise that we need not just to reduce the risks associated with disasters when they happen, but to have much better co-ordination on identifying and preventing risks before they happen, while also recognising the general unpredictability. Working through the bilateral aid review, and therefore now the country programmes, that type of resilience and preparation has been put in place, and it is, I think, fair to call into evidence what we have already done in the preparations in respect of southern Sudan.

While, as ever, there will be calls for a total review of the international system, we already have enough evidence and experience to know broadly what the problems are. The lessons from Pakistan and Haiti led to the UN Secretary-General Ban Ki-moon declaring improved response to major crises as one of the top eight UN priorities for 2011. Through international forums and the EU, we are having a series of discussions intended not only to back up what the UN may be discussing, but to make sure that on those bilateral and regional bases there is a continuing set of discussions and a focus that will ensure that we not only learn lessons but construct our ability to respond most effectively. The new mechanisms established five years ago are starting to result in improved responses, but they need to continue to improve, particularly in terms of leadership.

Bob Stewart: Will the Minister give way?

Mr O'Brien: I am running out of time I am afraid, but I will give way at the end of my speech if there is a moment left.

While talking of leadership, I want to highlight the UK Government's appreciation of, and support for, the vital role being played by Baroness Amos. She has brought fresh thinking, determination and passion to humanitarian response, which is improving the effectiveness of the international system.

Lastly, I wish to highlight the fact that the current traditional international system alone cannot be the only response to humanitarian disasters, and it is crucial to bring both emerging powers and the private sector on board. The UK will continue to learn and to be at the forefront of good humanitarian donorship. I believe that I have half a minute left, so perhaps I can give way now.

Bob Stewart: One of the real problems I see is not just in UN leadership, but the co-ordination of the other non-governmental organisations in the field. Presumably, the Minister is looking at that too.

Mr O'Brien: Unquestionably we are looking at all the various actors and players—NGOs, civil society organisations and, above all, the agencies, which are

[Mr O'Brien]

ultimately the big donors that have the muscle to bring this to bear—and international co-ordination is crucial. I know that the direction that will be given to us by Lord Ashdown's review will only serve to continue to keep the United Kingdom at the forefront.

Question put and agreed to.

10.35 pm

House adjourned.

House of Commons

Wednesday 9 March 2011

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

SCOTLAND

The Secretary of State was asked—

Higher Education Funding

1. **Mr Philip Hollobone** (Kettering) (Con): What recent discussions he has had with ministerial colleagues and Ministers in the Scottish Executive on funding for higher education institutions in Scotland. [44075]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): I have regular discussions with ministerial colleagues on matters related to higher education in Scotland. Funding for higher education in Scotland is largely a devolved matter, and my hon. Friend may be aware that the Scottish Government concluded the consultation on its Green Paper on the future of higher education funding on 1 March.

Mr Hollobone: In our United Kingdom, is it right that students from England studying in Scotland can be discriminated against in favour of students from Scotland or from other countries in the European Union?

David Mundell: My hon. Friend will know, as I have stated, that higher education is devolved, and it is for the Scottish Government to decide how to determine the funding of students from both Scotland and England. The fact that £75 million is being spent funding students from the European Union in Scotland will be the subject of considerable discussion at the forthcoming Scottish Parliament elections.

Angus Robertson (Moray) (SNP): Not long ago, the Secretary of State unwittingly told *The Daily Telegraph* that

> "tuition fees are the biggest, ugliest, most horrific thing",

and that breaking his word on the issue is

> "the worst crime a politician can commit".

Does the Minister agree with him?

David Mundell: I agree with Sir Andrew Cubie, who commented on the Scottish Government's proposals on higher education, and said that their response was "too late" and that they had had the opportunity to lead the way on higher education in the United Kingdom, but chose to follow.

Angus Robertson: The Minister chose not to answer the question. Returning to the comments of the Secretary of State, at the same time, he said that accepting tuition fees of £9,000 was a "car crash" and "a train wreck". Will the Minister confirm that, because the issue is devolved, Scotland does not have to follow the hare-brained policy of the Liberal Democrats and Conservatives in government in England by introducing a car crash of a policy in Scotland?

David Mundell: My concern for students in Scotland stems from the failure of the Scottish National party Government to address the issue of higher education funding in Scotland. As the hon. Gentleman will know, a funding gap of up to £260 million in higher education in Scotland has been identified as a result of the SNP's governance. By my definition, that is a car crash.

Iain Stewart (Milton Keynes South) (Con): The aspect of the reform of higher education funding in England that I most applaud is the fact that, for the first time, part-time students will receive the same treatment as full-time students. Will my right hon. Friend do all he can to persuade the Scottish Government to do all they can to support part-time students in Scotland?

David Mundell: My hon. Friend identifies a positive and progressive aspect of the Government's higher education policy as it applies to England, and it is a policy that deserves to be introduced in Scotland.

Fuel Duty Derogation

2. **Mr Angus Brendan MacNeil** (Na h-Eileanan an Iar) (SNP): What recent discussions he has had with the Chancellor of the Exchequer on the implementation of a fuel duty derogation for rural areas. [44076]

The Secretary of State for Scotland (Michael Moore): I have regular discussions with the Chancellor of the Exchequer on a wide range of issues. The Government have already announced that they intend to introduce a pilot scheme that will deliver a discount on petrol and diesel in rural areas, including the inner and outer Hebrides, the Northern Isles, the islands in the Clyde, and the Isles of Scilly.

Mr MacNeil: Through the rural fuel derogation we must ensure that there is transparency in fuel distribution in the highlands and islands. Nine months ago, there was 8p difference between Stornoway and Inverness; now there is 18p difference in the price of a litre of fuel. Will the Secretary of State make sure that the Office of Fair Trading looks at issues surrounding fuel distribution, so that any savings from a rural fuel derogation are passed on to families, businesses and the community in the islands?

Michael Moore: I welcome the hon. Gentleman's implicit recognition of the importance of the derogation, which we are seeking and on which my right hon. Friends in the Treasury will make formal submissions in the near future. As for distribution issues, the hon.

Gentleman is right to highlight the complexities of the price of fuel across the country. He knows that better than most people, and I am happy to meet him to discuss the issue further.

Mr Alan Reid (Argyll and Bute) (LD): I greatly welcome the introduction of the fuel duty discount pilot scheme on the islands, and I also welcome its extension to the Isle of Bute. While we wait for permission from the EU, however, urgent action is needed to stop the price of fuel going up even further. Will the Secretary of State speak to the Chancellor and tell him that he must cancel the 4p fuel tax rise that Labour planned for this year's Budget?

Michael Moore: My hon. Friend will be the first to acknowledge that the fuel duty increases over the past year reflect the previous Government's plans to increase duty by 1p per litre over the retail prices index this year and for years to come, and, as we have already discussed, the derogation is now being sought. The Chancellor and the Chief Secretary to the Treasury will have heard my hon. Friend's strong representations on behalf of his communities, and I recognise how serious an issue petrol and diesel prices are throughout the country.

Research and Development Tax Credits

3. **John Robertson** (Glasgow North West) (Lab): How many small businesses in Scotland (a) applied for and (b) received research and development tax credits in the latest period for which figures are available? [44077]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): In the financial year 2008-09, figures for the United Kingdom show that there were 350 claims for research and development tax credits from small and medium-sized businesses, and that the total amount of relief awarded was £15 million. Figures for Scotland are not currently held centrally.

John Robertson: Well, there we are: once again, a question not answered. The right hon. Gentleman probably does not even know that there is no R and D specialist unit in Scotland to help small businesses get tax credits—but there is one in Wales and six in England. Does he think that that is fair?

David Mundell: What I am aware of is that Her Majesty's Revenue and Customs R and D tax and credits unit held a workshop in Glasgow on 9 February, and it was well attended by businesses from the Glasgow area.

Fiona Bruce (Congleton) (Con): Do the Government intend to abolish the intellectual property restrictions on R and D tax credits, which would make it much easier for companies in Scotland in the biotechnology and micro-electronics industries to benefit?

David Mundell: The Government do indeed intend to abolish that restriction, and I believe that it will have the benefits that my hon. Friend outlines.

Employment Levels

4. **Ian Murray** (Edinburgh South) (Lab): What assessment he has made of recent trends in levels of employment in Scotland. [44078]

8. **Jim McGovern** (Dundee West) (Lab): What assessment he has made of recent trends in levels of employment in Scotland. [44082]

The Secretary of State for Scotland (Michael Moore): Although the final quarter of 2010 saw falling unemployment and rising employment in Scotland, helping people into work remains a key priority for this Government.

Ian Murray: Gross domestic product in the economy has contracted by 0.6%, confidence is being shattered by the increase in VAT, unemployment is rising, with the full effect of public sector job losses to come, and employers all over my constituency are really concerned that the banks are getting away scot-free while they are being hit the hardest. Does the Secretary of State have any plans at all for growth in order to get jobs back into the Scottish economy?

Michael Moore: In a compendium of issues, the hon. Gentleman forgets to mention the role that his own Government played in the management of the economy up until last May. Our overriding priority is to get a path to sustainable growth, and that means stabilising the economy, which is what the deficit reduction plan is about, and ensuring that we support businesses by reducing tax, maintaining interest rates lower than they would otherwise have been and helping businesses to access finance. We have a real programme of action, unlike the previous Government.

Jim McGovern: Rising unemployment is a great concern in my constituency of Dundee West. In fairness to the Secretary of State, he did visit Dundee to see for himself the importance of the computer games industry to the city, but does he continue to support the Government's stance of not implementing a tax break, which both the Lib Dems and the Tories claimed to support prior to the general election? If so, what plans does he have for job creation in my city of Dundee?

Michael Moore: As I have said previously to the hon. Gentleman, our visit together to Abertay university was very worth while, and he makes a strong case for the computer games industry. Taxation is clearly a matter for the Chancellor, and the Budget is coming along soon, but, as I said in answer to his hon. Friend the Member for Edinburgh South (Ian Murray) a moment ago, the overriding thing, which will help the computer games industry and everybody else, is to get us back on a sustainable path to growth. That is our overwhelming priority.

John Thurso (Caithness, Sutherland and Easter Ross) (LD): My right hon. Friend will know that marine renewable energy offers tremendous employment prospects in Scotland. Is he aware of the proposal by Department for Energy and Climate Change Ministers to create renewable energy parks; and will he use all his powers to ensure that the first such park is in Caithness, where all the ingredients already exist?

Michael Moore: Caithness could not hope for a finer advocate of its cause, and my hon. Friend has spoken with me on many occasions. The importance of renewables to the far north of Scotland—indeed, the whole of Scotland—is second to none, particularly in the context of the rundown of Dounreay, something that I know is close to his heart and on which he works very carefully.

Ann McKechin (Glasgow North) (Lab): In December I highlighted to the House that in Campbelltown 13 claimants were chasing every available job. Unfortunately the situation today is far worse: the Scottish Trades Union Congress reports that currently 27 jobseeker's allowance claimants are chasing every advertised vacancy in north Ayrshire. The Secretary of State says that he is concerned about high unemployment in Scotland, so can he tell the House when he last visited north Ayrshire and spoke directly to those people who are struggling to find work?

Michael Moore: I have carried out a range of visits around Scotland and will continue to do so; I am very happy to take up the hon. Lady's suggestion. However, may I gently remind her that unemployment was rising under her Government when she was in the Scotland Office? She should not look so pleased about the situation as it is now.

Ann McKechin: Yet again, the Secretary of State fails to tell us what his alternative is. Thousands of our young people have been worst hit. This Government claim that their Work programme will be much better, but officials are saying that there will be 250,000 fewer places next year than the number who entered Government schemes this year. Can he therefore confirm what percentage of 18 to 24-year-olds currently unemployed in Scotland will be allowed to participate in the new Work programme, and whether it will be less than in the current year?

Michael Moore: The hon. Lady is right to highlight the issue of youth unemployment, which is a key priority for the Government. Again, it is something that rose significantly throughout her time in office, and it needs to be tackled very seriously. We have already introduced elements of the Get Britain Working programme, the work clubs and the Working Together programme, and the Work programme will come along in the summer. We look forward to debating that further with her.

Youth Unemployment

5. **Mr Brian H. Donohoe** (Central Ayrshire) (Lab): When he expects next to discuss with ministerial colleagues trends in the level of youth unemployment in Scotland. [44079]

The Secretary of State for Scotland (Michael Moore): The Government are determined to deal with the long-term legacy of youth unemployment, and this is a key priority in my discussions with ministerial colleagues. Our Get Britain Working measures and the new Work programme will provide the best possible support for young people struggling to find employment.

Mr Donohoe: I thank the Secretary of State for that answer. He will be aware, however, that levels of unemployment among the 18-to-24 age group have soared over the past few months. As a result, in north Ayrshire in particular, we have the highest levels of youth unemployment. What is he going to do about that?

Michael Moore: First, I commend the hon. Gentleman for his consistent campaigning on this issue, which is a very significant one in his part of the world. However, I think that he would also acknowledge the point that I made to the hon. Member for Glasgow North (Ann McKechin) a moment ago—that youth unemployment has been a serious problem for a long period. I discussed the issue with the Work and Pensions Secretary only last night. As I have said to the hon. Gentleman previously, I look forward to convening a meeting in his constituency where we will discuss all these issues with the relevant individuals and organisations from across Scotland. I look forward to his being part of that event.

Mr Russell Brown (Dumfries and Galloway) (Lab): I think the whole House shares the concern that the Secretary of State seems to indicate that he has, but can he share with the House the number of young unemployed people to whom he has spoken this year?

Michael Moore: I have spoken to many young unemployed people across Scotland, not just this year but over the whole course of my time as a Member of Parliament, and not just in my own constituency but elsewhere too. They all want to see a sustainable route out of the difficulties that the country is in. This is not only about the Work programme measures that I have already mentioned but about getting the country back on its feet and tackling the deficit, making sure that we have a sustainable way to growth by focusing on bank lending, keeping interest rates low, and providing support by cutting taxes, be they corporation tax or national insurance. All those measures will help.

Welfare Reform Bill

6. **Michael Connarty** (Linlithgow and East Falkirk) (Lab): What assessment he has made of the likely effect on families in Scotland of the changes to benefits proposed by the Secretary of State for Work and Pensions. [44080]

7. **Mrs Anne McGuire** (Stirling) (Lab): What discussions he had with the Secretary of State for Work and Pensions prior to the publication of the Welfare Reform Bill on the likely effect on Scotland of the measures in that Bill. [44081]

10. **Fiona O'Donnell** (East Lothian) (Lab): When he last met anti-poverty campaigners in Scotland to discuss the potential effect in Scotland of the measures in the Welfare Reform Bill. [44084]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): The Secretary of State for Scotland and I are in regular contact with ministerial colleagues in the Department for Work and Pensions. We also meet regularly organisations in Scotland with an interest in welfare and combating poverty.

Michael Connarty: That was not an answer to the question that I asked. I cite two cases to the Under-Secretary: a family with a son born with fragile X syndrome and autism and another family with an absolutely outstanding young teacher who suffered a massive stroke. Both of them now require 24-hour residential care. Their lives will be damaged irreparably if the Government go ahead with the withdrawal of benefits for people in residential care—benefits that give them a quality of life that makes residential care not a prison sentence. Will the Secretary of State and the Scotland Office campaign with the people of Scotland against this proposal by the Government to withdraw benefits from people in residential care?

David Mundell: The hon. Gentleman will be aware that there was a debate this morning in Westminster Hall on that specific issue. The Government have indicated that they are listening to the concerns. The fundamental issue with disability living allowance is that it is not fit for purpose and needs change. The Government are taking those changes forward.

Mrs McGuire: I have been contacted by Mr Ron Skinner, MBE, who is a non-executive director of Order of Malta Dial-a-Journey Ltd, which operates in my constituency. He expressed grave concern about the impact of the removal of mobility allowance from those in residential care. What specific discussions has the Minister had with his opposite numbers in the Department for Work and Pensions on this issue, which is causing great concern for those in residential care?

David Mundell: Yesterday, I met the Minister of State, Department for Work and Pensions, my right hon. Friend the Member for Epsom and Ewell (Chris Grayling) and Lord Freud, the Minister in the House of Lords who is responsible for welfare reform, to discuss the implications of welfare reform for Scotland. The right hon. Lady raises one such issue. As was said in Westminster Hall this morning, DLA as it currently exists is not fit for purpose. It is applied randomly across care homes, not just in Scotland but across the United Kingdom, and it needs to be reformed.

Several hon. Members *rose—*

Mr Speaker: Order. There are far too many private conversations taking place in the Chamber. Let us have a bit of order for Fiona O'Donnell.

Fiona O'Donnell: Like you, Mr Speaker, I am feeling in a generous mood, so I will give the Under-Secretary of State a third chance to redeem himself. The Prime Minister's excuse for removing the mobility component was that it addressed an anomaly between those in hospital and those in residential care. Will the Under-Secretary of State at least acknowledge that residential care homes are based on a social model, and not a medical model?

David Mundell: I certainly acknowledge that residential care homes are social rather than medical institutions primarily. However, as the hon. Lady will know, having been present at this morning's debate in Westminster Hall, many care homes operate the mobility aspect of disability living allowance differently. The basis on which it is applied to a person in a home in Scotland and what it is applied for is dependent on which home they are in. I am sure she will agree that that is not acceptable.

Mrs Eleanor Laing (Epping Forest) (Con): Does the Minister agree that many families in Scotland are suffering economically and socially because of the disastrous policies not only of 13 years of Labour Government, but of four years of Scottish National party Government in Scotland? Will he undertake to work with the Secretary of State for Work and Pensions to ensure that people in Scotland who are in real need, especially those with disabilities, benefit under his Government's policies?

David Mundell: I agree with my Friend's analysis. Like many people in Scotland, I recognise that the Welfare Reform Bill provides a once-in-a-generation opportunity to radically overhaul the benefits and welfare system.

Mike Freer (Finchley and Golders Green) (Con): Can the Minister indicate to the House how many low-paid Scots will be lifted out of income tax, and how many families in Scotland will benefit from the reform to tax credits that has been announced?

David Mundell: I will seek out that information for my hon. Friend and write to him.

Dr Eilidh Whiteford (Banff and Buchan) (SNP): The changes announced last week to social fund crisis loans will cut the level and availability of loans for essential items such as beds and cookers. Does the Minister agree that that will push vulnerable people on lower incomes towards high-cost lending and into the arms of loan sharks, exacerbating problems that Scotland already has?

David Mundell: I do not agree with the hon. Lady's analysis. I am surprised to hear again from the Scottish National party that it does not welcome the devolution of elements of the social fund to the Scottish Parliament.

Green Investment Bank

9. **Chi Onwurah** (Newcastle upon Tyne Central) (Lab): What recent discussions he has had with the Secretary of State for Business, Innovation and Skills on the operation of the green investment bank in Scotland. [44083]

The Secretary of State for Scotland (Michael Moore): I have regular discussions with the Secretary of State for Business, Innovation and Skills on a wide range of issues, including the operation of the green investment bank. The green investment bank will support economic growth in all parts of the country and help us to meet our environmental objectives.

Chi Onwurah: Like the north-east, Scotland has great wind resources, and we are looking forward to getting a return on all that wind. Does the Secretary of State agree that the delays to and downgrading of the green investment bank are preventing us from making the best of that asset?

Michael Moore: First, as somebody whose constituency is not that far from Newcastle, I agree with the hon. Lady that we should appreciate all its wonderful characteristics, including its weather patterns. I agree that around the whole coast of the UK, we have much that we can exploit for renewable energy. On the specifics of the announcement on the green investment bank, we are taking the matter forward aggressively and she will hear further information announced very soon.

Mike Crockart (Edinburgh West) (LD): Does the Secretary of State agree that the green investment bank could open up tremendous potential for rebalancing the economy and creating a great many new jobs? For that to happen, it needs financial experience, research and development experience in the academic institutions and renewable energy experience, all of which are available in abundance in Scotland, and particularly in Edinburgh. It would therefore be a perfect location for the institution.

Michael Moore: I commend my hon. Friend for his efforts to locate the green investment bank in Edinburgh. I welcomed the opportunity to meet him and the hon. Member for Edinburgh North and Leith (Mark Lazarowicz) recently to discuss that very issue. I and other Ministers look forward to hearing further details on the proposal in the near future.

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): When I asked the Secretary of State about the green investment bank in October, he said that he would make the best possible case for its location in Scotland, yet his Department has been forced to concede under freedom of information that he has had no correspondence with Department of Energy and Climate Change Ministers on the issue and that there are no notes of meetings with them about it. How is he actually pressing the case rather than just dealing in rhetoric?

Michael Moore: I am aware of the hon. Gentleman's commitment to freedom of information, and I am delighted to say that, as he knows from his time in the Scotland Office, those are not the only ways in which Ministers meet. I have had many conversations with the Secretaries of State for Energy and Climate Change and for Business, Innovation and Skills, the Deputy Prime Minister and others on the issue. Like the hon. Gentleman, I hope that my colleagues will support the case for the bank coming to Scotland.

Several hon. Members *rose*—

Mr Speaker: Order. There is still far too much noise in the Chamber. It is very unfair on people asking questions and Ministers answering them.

Value Added Tax

11. **Margaret Curran** (Glasgow East) (Lab): What discussions he has had with the Chancellor of the Exchequer on the effect on the economy in Scotland of the increase in the standard rate of value added tax. [44085]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): The Secretary of State and I have regular discussions with the Chancellor of the Exchequer on a range of issues. The VAT rise is a tough but necessary step towards Britain's economic recovery.

Margaret Curran: Is the Minister aware of the sense of outrage throughout Scotland that on this Government's watch, the increase in VAT means that low and middle-income families now pay a higher rate of tax on purchases and earnings than the banks are to pay on their profits? How can that possibly be fair, and why do the Government continue to insist that those with the least should pay the most?

David Mundell: I am aware of the sense of outrage, not just in Scotland but throughout the UK, at the state of the economy that the last Labour Government left us with, which has required such measures to be taken.

Katy Clark (North Ayrshire and Arran) (Lab): Does the Minister not accept that the recent increase in VAT, particularly on fuel such as petrol and diesel, is having a more dramatic effect on the economy in rural areas? Does he not think that his Government should address that?

David Mundell: The hon. Lady would be much more credible on that point if she had spoken out against her Government's rises in duty. The issue of fuel prices in rural areas is serious, and it is already clear that my right hon. Friend the Chancellor has heard the concerns.

West Lothian Question

12. **Harriett Baldwin** (West Worcestershire) (Con): What discussions he has had with the Deputy Prime Minister on the establishment of a commission to examine the West Lothian Question. [44086]

The Parliamentary Under-Secretary of State for Scotland (David Mundell): The Secretary of State and I have regular discussions with the Deputy Prime Minister on various issues, including those concerning the constitution. The Government remain committed to establishing a commission this year to consider the West Lothian question.

Harriett Baldwin: The Deputy Prime Minister told us that the commission would be established by the end of 2010, then the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Forest of Dean (Mr Harper), told us that it would be established in the new year. Does the Minister know on what date in 2011 the commission will be established?

David Mundell: I am not able to give my hon. Friend an exact date, but as she will know, it is a commitment of the coalition Government to proceed with the commission, and I am sure announcements will be made shortly.

Private Sector Employment

13. **John Stevenson** (Carlisle) (Con): What recent discussions he has had with the First Minister on support for private sector employment in Scotland. [44087]

The Secretary of State for Scotland (Michael Moore): In my recent discussions with the First Minister, we spoke about a range of issues, including economic policies. Returning the United Kingdom to sustainable economic growth is the Government's overriding priority.

We are doing everything we can to create the conditions that enable UK businesses to be successful and create more jobs.

John Stevenson: If the Scottish economy is to be rebalanced, the future clearly lies with employment in the private sector. Can the Minister therefore give some indication of how much Scottish businesses will save from the Government's changes to the employers' national insurance threshold and rate, and of how many businesses will benefit from the payment holiday for new businesses?

Michael Moore: My hon. Friend is right to point to the importance of reducing the tax burden, and we are determined to do that. We estimate that the national insurance reductions will bring a benefit of £280 million to businesses in Scotland, or the equivalent of helping 59,000 jobs.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [45187] **Ian Mearns** (Gateshead) (Lab): If he will list his official engagements for Wednesday 9 March.

The Prime Minister (Mr David Cameron): I am sure the whole House will wish to join me in paying tribute to Lance Corporal Liam Tasker from the Royal Army Veterinary Corps, who died on Tuesday 1 March. The whole country has been touched by the story of this true hero, who selflessly worked with his search dog, Theo, to locate improvised explosive devices, weapons and bomb-making equipment to save many, many lives. He will not be forgotten, and our deepest condolences should be with his family, his friends and his colleagues.

This morning I had meetings with ministerial colleagues and others, and in addition to my duties in this House, I shall have further such meetings later today.

Ian Mearns: I am sure the whole House will join me in passing on their condolences to the family and friends of our fallen service personnel.

The Prime Minister will be aware that today is no-smoking day. Will he join me in congratulating the organisers of the "Making Smoking History" lantern parade which takes place this evening in Wrekenton, a part of my constituency that is particularly blighted by that addiction? Will he also comment on British Lung Foundation research that shows that more than half of children surveyed across the UK have been exposed to cigarette smoke in cars, and that 86% of children want adults—

Mr Speaker: Order. We have got the drift.

The Prime Minister: The hon. Gentleman makes a good point with great passion. I certainly support no-smoking day, and unlike in some previous years, I hope to meet its requirements in full this year. His point about smoking in front of children and babies and smoking in cars is a good one. Whatever people have done in the past, the facts show that they really should change their behaviour. I am not sure whether it is possible to legislate in that area—we need a change in attitudes, which he is helping to lead with the British Lung Foundation and others.

Mary Macleod (Brentford and Isleworth) (Con): Yesterday was international women's day, and today great trade figures and export growth were announced. Does the Prime Minister agree that we would have even better figures if we managed to get more women on the boards of companies across the UK?

The Prime Minister: My hon. Friend is right to draw attention to today's trade figures, which show a big increase in exports, which is exactly the sort of rebalancing that our economy needs. It is absolutely right that we need to get more women involved in the work force and at board level. In addition, in terms of entrepreneurialism, if we had the same rate of women setting up small businesses as America, we would have tens of thousands of extra businesses creating wealth and jobs.

Edward Miliband (Doncaster North) (Lab): I start by paying tribute to Lance Corporal Liam Tasker from the Royal Army Veterinary Corps. He was doing a job that put him in such danger, and he showed extraordinary bravery and courage. We remember him, and we pass on deep condolences to his family and friends.

Can the Prime Minister tell us who authorised the mission in Benghazi last weekend?

The Prime Minister: The Foreign Secretary set out the position absolutely in full in the House on Monday, but let me say clearly that I take full responsibility for everything that my Government do.

Edward Miliband: I am grateful to the Prime Minister for saying that, and I want to support him on Libya wherever I can, but there is increasing concern about the Government's competence on the issue. We have had the flights fiasco, talk of Colonel Gaddafi heading to Venezuela when he was not, overblown briefing about potential military action, and the setback last weekend. Does the Prime Minister think that it is just a problem with the Foreign Secretary, or is it a wider problem in his Government?

The Prime Minister: I am not sure that I particularly want to take a lecture from Labour about dealing with Gaddafi and Libya. The first thing that we should have from the Labour party when it comes to Libya, Gaddafi and the release of Megrahi is an apology, which we still have not had. When it comes to this Government's conduct, we have led the way in getting a tough UN resolution on Libya, getting Libya thrown out of the Human Rights Council and making sure that the world is preparing for every eventuality, including a no-fly zone.

Edward Miliband: Everybody will have heard the deafening silence about the performance of the Foreign Secretary. There is an issue of competence at the heart of this Government, and I want to turn to another example of incompetence. Does the Prime Minister think that people will notice the loss of 12,000 front-line police officers?

The Prime Minister: First, the right hon. Gentleman raises the issue of the Foreign Secretary. Let me tell him: I think we have an excellent Foreign Secretary. When it comes to it, there is only one person around here I can remember knifing a Foreign Secretary, and I think I am looking at him. *[Interruption.]* Right, I think we have dealt with that.

We want to see police on the streets fighting crime, not stuck behind their desks fighting paper. That is what we want to achieve. Let me say to the right hon. Gentleman that whoever was standing here right now would have to be reducing the Home Office budget and the policing budget. Labour was committed to a £1.3 billion cut. The question is not "Are you reducing the budget?"; the question is "What are you doing to cut the paperwork, freeze the pay, deal with the allowances and make sure the police are on the streets?"

Edward Miliband: The more that the right hon. Gentleman brings my relatives into this argument, the more that we know he is losing the argument. I have a second cousin in Belgium he will be going after next, I am sure.

On the question of crime, the Prime Minister says that he wants to improve front-line policing, but the West Midlands is losing 1,000 officers, Bedfordshire has scaled back gun licence checks, and now we hear that companies that have been burgled are to be sent fingerprint kits in the post. I know that he believes in the big society, but solving your own crimes is a bit ridiculous, even by his standards. You have to ask, Mr Speaker: does the Prime Minister actually have a clue what is going on out there?

The Prime Minister: I think the leader of the Labour party is getting a little bit touchy about this issue.

The point that I would make is that if we listen to what chief constables are saying about what they want to do—*[Interruption.]* Here is the chief constable of Thames Valley:

> "what I haven't done at all is reduce the number of officers who do the patrol functions, so the officers you see out in vehicles, on foot, in uniform, on bicycles. We haven't cut those numbers at all."

Listen to the chief superintendent in Surrey, who says:

> "We are determined to increase our frontline capability by recruiting…extra"

police constables. The fact is that all the leadership of the police is engaged in the exercise of keeping costs under control to make sure that we get more officers on the beat. Whether we have to divert them to protect the right hon. Gentleman's relatives, I do not know, but they are going to be on the beat.

Edward Miliband: Ten months, and so out of touch with people up and down this country. The Prime Minister talks about police officers; in case he had not noticed, it is the Association of Chief Police Officers that says that 12,000 front-line police officers are going to be lost. Why are they being lost? It is because he chose to go beyond the recommendation by Her Majesty's inspectorate of constabulary of 12% cuts. If he had made 12% cuts, the savings could have been found from the back office, but he went too far and too fast, and insisted on 20% cuts in policing.

The Prime Minister: The right hon. Gentleman is wrong. The Association of Chief Police Officers is not talking about front-line officers, so he is simply wrong about that. Let me remind him what his home affairs spokesman said at the time of the election, when asked

> "Can you guarantee if you form…the next government that police numbers won't fall?
>
> Alan Johnson: No".

That was the position, and this is what he said after the election:

> "if Labour had won the general election, the Home Office budget would have been cut and the police would have had to make savings".

What we see today, once again, is jumping on a bandwagon and total opportunism. The right hon. Gentleman has no plans to reform welfare, no plans to reform the NHS and nothing useful to say about policing.

Edward Miliband: We know that the Government are out of touch, and now we know that they are incompetent as well: incompetent on Libya and incompetent on policing. The Prime Minister may act like he was born to rule, but the truth is that he is not very good at it.

The Prime Minister: The usual pre-scripted questions that he dreamt up earlier. The question is: has he got a reform plan for the NHS? [HON. MEMBERS: "No!"] Has he got a police reform plan? [HON. MEMBERS: "No!"] Has he got a plan to cut the deficit? [HON. MEMBERS: "No!"] It is no wonder that the former Foreign Secretary has just said that

> "the…Left is losing elections on an unprecedented scale because it has lost control of the political agenda…it is also losing key arguments"—

and it has a

> "deficit in ideas".

That is what he said, and he is absolutely right.

Dr Thérèse Coffey (Suffolk Coastal) (Con): Will my right hon. Friend join me in congratulating the people of Suffolk, who, in less than a year, have raised more than £3 million to build a new children's hospice through the Treehouse appeal? This is an example of the community coming together to support a local project that will really make a difference. It is also supported by BBC Suffolk, the *Evening Star* and the *East Anglian Daily Times*.

The Prime Minister: My hon. Friend is absolutely right. I know that Members right across the House back the hospice movement, with its hospices for adults and for children. The Government have put extra money into hospices, but that is a great example of the big society, where people come together and make sure that there is real provision to look after those who need it most.

Q2. [45188] **Mr Angus Brendan MacNeil** (Na h-Eileanan an Iar) (SNP): The coastguard stations, our maritime insurance policy, have been treated badly by the Maritime and Coastguard Agency, which has started threatening to close stations without carrying out any risk assessment whatever. The proposed savings were not even highlighted in the comprehensive spending review, and they will be very small compared with the huge risks involved. Will the Prime Minister ensure that our coasts, islands and mariners are protected by saving our stations? As the campaign says: SOS!

The Prime Minister: I will look at this issue carefully, because it is being raised by Members across the House. What I would say, however, is that this is not about the UK's front-line rescue capability. The key changes are about how the coastguard service co-ordinates services and rescue missions, so the aim of the consultation is to get the resources on the front line, to those people who are actually carrying out the rescues and to those in the voluntary sector who are helping. That is what the consultation is about, and I would urge the hon. Gentleman to engage in the process.

Q3. [45189] **Neil Carmichael** (Stroud) (Con): The alternative vote system is unfair, expensive and discredited. Even members of the support team for the yes side do not really want it. What is the Prime Minister going to do to ensure that we defeat this system, because it can produce distorted outcomes?

The Prime Minister: I thank my hon. Friend for his question. I will be campaigning hard for a no vote in the referendum. I think that it is a relatively simple argument to make. We have a system that is simple, clear and easy to explain. The alternative vote is used in only three countries. They are Australia, Fiji and Papua New Guinea—and Fiji is beginning to change its mind. There are clear arguments, and it is a referendum, so people in the coalition will be able to make those different arguments.

Paul Goggins (Wythenshawe and Sale East) (Lab): At Prime Minister's questions on 27 October, the Prime Minister agreed that Ministers would work with me and with our leading children's charities on an affordable alternative to the child trust fund for looked-after children. I can confirm that, since then, the Financial Secretary to the Treasury and the Children's Minister have both worked constructively with us on that issue. However, the time has come to turn good intentions into action. Today, Barnardo's and Action for Children have published a report that sets out a compelling case for a new system of savings accounts for children in care. I know that the Prime Minister wants to do more for such children. Will he read the report, then write to me to confirm that provision for such a system will be made in the Budget?

The Prime Minister: I will certainly read the pamphlet, if the right hon. Gentleman will leave me a copy. We are looking at whether we could replace funds, particularly for children in care, with some form of child ISA, and I hope that my right hon. Friend the Chancellor will have something more to say about that in the Budget.

Q4. [45190] **Tom Brake** (Carshalton and Wallington) (LD): The coalition Government's principal objective is to cut the eye-watering deficit that we inherited from the previous Government, yet we want to support people on low and middle incomes. *[Interruption.]* Can the Prime Minister confirm how many people will see their incomes—*[Interruption.]*

Mr Speaker: Order. I apologise for having to interrupt. Members must be heard when asking their questions, and the Prime Minister heard in answering them. It is a very simple principle. I think that the hon. Gentleman has completed his question, and we are grateful to him.

The Prime Minister: The truth is that Labour Members do not like being reminded of the massive deficit and the huge mess that they left this Government to clear up. My hon. Friend makes a good point—that in spite of difficult decisions, we will lift the tax threshold for income tax payers in April this year, and 880,000 people will be removed from income tax altogether. That is a major step forward, a big help with the cost of living, and will be welcome to families up and down the country.

Gloria De Piero (Ashfield) (Lab): Many parents in my constituency are worried sick because a number of school bus services are being withdrawn, with no guarantee of an equivalent replacement—meaning that timetables, routes and fares will be at the discretion of commercial operators. What is the Prime Minister doing to ensure that families are not subject to big fare hikes just to get their children to school?

The Prime Minister: What we are doing—it was one of the difficult decisions we took in the spending round—is to make sure that the per pupil funding in place is not going down; it is being maintained. That meant taking difficult decisions elsewhere in the Budget, but we took that decision for the good of the country's schoolchildren.

Q5. [45191] **Sir Alan Beith** (Berwick-upon-Tweed) (LD): Do the Prime Minister and the Chancellor recognise the severe impact of exceptionally high petrol and diesel prices on rural communities in England such as Northumberland, where prices tend to be 5p to 10p a litre higher than in the cities, where people have long distances to travel to work and where public transport is very limited? May we hope for some relief in the Budget?

The Prime Minister: My right hon. Friend makes an important point. The argument has been made about high fuel costs, and we are listening to it very carefully. He will have to wait for the Budget. I know that prices for heating oil are also a big issue in rural areas like the ones that he and, indeed, I represent. We have asked the Office of Fair Trading to look at it, but I make the additional point that we have maintained the cold weather payments at £25, which has meant that something like £430 million has been spent this winter on helping people with their heating bills.

Mr David Winnick (Walsall North) (Lab): However serious the situation in Libya—no doubt Gaddafi is now using arms sold to him by British companies—will the Prime Minister give an assurance to the House today that no military action will be taken regarding Libya without direct authorisation from the United Nations Security Council?

The Prime Minister: What I discussed last night with President Obama is making sure that we plan for every eventuality, including planning for a no-fly zone. If that becomes necessary, everyone would want it to have the widest possible backing, which is why we are currently drafting a UN Security Council resolution. I think that is absolutely the right thing to do.

Q7. [45193] **Nigel Adams** (Selby and Ainsty) (Con): It is no secret that council tax doubled under the last Government. In my constituency, both local councils—Selby district and Harrogate borough council—are freezing council tax this year. Will the Prime Minister tell me and the House how many other councils have chosen similarly to help hard-pressed council tax payers?

The Prime Minister: I am delighted to say that a huge number of councils have done that. I think it was right to announce a freeze in council tax, which will bring real help to households across the country, saving the average family up to £72 a year at a time when they face difficulties with the cost of living. That compares, as my hon. Friend said, with a doubling of council tax under the last Government. As to whether they have learned any lessons from that, I have to say that Labour's shadow Local Government Minister, the hon. Member for Derby North (Chris Williamson) attacked this freeze as

"nothing more than a gimmick".—[*Official Report*, 17 January 2011; Vol. 521, c. 531.]

Yet it is bringing relief to hard-pressed families up and down our country and it is absolutely the right policy.

Mark Durkan (Foyle) (SDLP): Is the Prime Minister aware of a commitment in the programme for government of the coalition Government who are taking office in Dublin today to move to an opt-out system for organ donation? As well as whatever consideration his Government might give to that proposal, will the Prime Minister undertake to work with all other Administrations in these islands through the British-Irish Council to increase the number of organ donors and to improve networks for sourcing and sharing donor organs and transplant services for people who need that life-saving and life-changing treatment?

The Prime Minister: I will certainly agree to do that. It is important that we try to increase the amount of organs available for donation. In the last Parliament, there was a debate about whether we should move formally to an opt-out system, and there are difficulties with that, but there is a huge gap between where we are now and a formal opt-out system, in encouraging patients and talking to them about what can be done. I am sure that we can make steps forward, and my right hon. Friend the Health Secretary will do that.

Q8. [45194] **Mr Peter Bone** (Wellingborough) (Con): Mr Speaker, 373,000 *Daily Express* readers want it, 80% of Conservative Members support it, the Deputy Prime Minister would love it, and my wife demands it. The British people, Conservative supporters, the leader of the Liberal party and especially Mrs Bone cannot all be wrong. Prime Minister: may we have a referendum on whether the United Kingdom should remain in the European Union?

The Prime Minister: I wish that my wife were as easy to please. I was worried about where that question was going.

I am afraid that I must disappoint my hon. Friend and Mrs Bone. I think that we are better off inside the EU but making changes to it, in the way that we are setting out.

Q9. [45195] **Jim Dobbin** (Heywood and Middleton) (Lab/Co-op): There are 1.5 million individuals throughout the United Kingdom who suffer from involuntary tranquilliser addiction, which is not a misuse of drugs by the individual but prescription addiction. It has horrendous side-effects. Can the Prime Minister ensure that special withdrawal programmes are set up across the country to give those people their lives back? I understand that the Government are reviewing the situation, but the reviews keep being put back. These people are victims of the system, and they are suffering all the time.

The Prime Minister: The hon. Gentleman has raised this matter with me before. He speaks very powerfully on behalf of people who have that addiction, which is an extreme problem in our country.

We published a drugs strategy which set out an ambition to reduce drug use, including the use of prescription and over-the-counter medicines. That should include programmes to help people to withdraw from and come off those drugs. However, as I have said to the hon. Gentleman before, I think that we must deal with the problem at source. That is part of the purpose of our health reforms, which is to ensure that the national health service is genuinely concerned with the health of the whole person rather than being a national drugs service in which there can sometimes be too much prescribing of drugs.

Mr Steve Brine (Winchester) (Con): The German company Storck UK, which owns and makes Bendicks chocolates in my constituency, has announced that it is consulting on plans that could involve production being moved to Germany. In the area that I represent, 115 jobs depend on that factory. Will the Prime Minister ask one of his Ministers in the relevant Department to meet me and representatives from the company as soon as possible to establish whether we can help?

The Prime Minister: I will certainly do that. My hon. Friend is right to speak up for his constituency and for that business. Through the growth review—we will confirm this in the Budget—we are taking steps to ensure that this country is the best place in Europe in which to do business. We have set out plans for the lowest rate of corporation tax anywhere in the G7, but we will also take further steps to ensure that we encourage companies to stay here, come here and invest here.

Q10. [45196] **Karl Turner** (Kingston upon Hull East) (Lab): The Prime Minister is beefing up his office to help sell the Government's unpopular and wasteful £2 billion reorganisation of the NHS. Does it concern him that Baroness Williams of Crosby feels that she is

"under no obligation to support policies outside the agreement"?

The Prime Minister's Back Benchers do not want this; no one wants it. Is it not possible for the Prime Minister to halt—

Mr Speaker: Order. We have got the drift, but we must have an answer.

The Prime Minister: The questions drafted by Labour Members have got a bit longer. I think that those in the Labour Whips Office need to go to remedial writing school.

If the hon. Gentleman was asking a question about the NHS—as I think he was—and asking who supports the NHS reforms, let me say this. I think that one of the greatest proponents of the NHS reforms is Labour's shadow Health Secretary, the right hon. Member for Wentworth and Dearne (John Healey), who has said:

> "The general aims of reform are sound—greater role for clinicians in commissioning care, more involvement of patients, less bureaucracy and greater priority on improving health outcomes—and are common ground between patients, health professions and political parties."

If life gets too tough for the right hon. Gentleman on the Opposition Front Bench, there is always plenty of room over here.

Q11. [45197] **Jeremy Lefroy** (Stafford) (Con): This month, soldiers from 3 Mercian (Staffords), including many from my constituency, are being deployed to Afghanistan, and our thoughts and prayers are with them. Will the Prime Minister ensure that if our brave soldiers are injured while serving our country, they will receive compensation that recognises their sacrifice?

The Prime Minister: My hon. Friend makes a very important point. The bravery of our servicemen and women, who are often deploying to Afghanistan for the third or fourth time now, should be uppermost in our thoughts. I think the whole House can unite on that, and on the results of the review of the armed forces compensation scheme carried out by Admiral Boyce. That will lead to significant increases in the value of awards—on average in excess of 25% to all lump sum payments, except for the top award which was recently doubled to £570,000. We are also trebling the maximum award for mental illness to £140,000. We can never compensate people for their injuries in battle, either physical or mental, but we can, as a generous, tolerant, warm and welcoming nation to our armed forces, do so much more, and I am glad that we are doing this.

Q12. [45198] **Jessica Morden** (Newport East) (Lab): Does the Prime Minister appreciate that the 1,500 women in Newport who are now going to have to work for up to two years longer because the Government have accelerated the introduction of the increase in the state pension age feel very angry that they are not being given long enough to plan properly for a delayed retirement?

The Prime Minister: I know this is a difficult reform, but as well as dealing with the short-term problems of our deficit and making spending reductions across Government programmes—which, frankly, any Government would have to do right now—it is also right to try to make some long-term changes to reduce the long-term costs of our pension system, and as life expectancy is increasing, I think it is right to ask people to retire later. This is a difficult and long-term decision, but I think the arguments for it are absolutely right.

Ms Louise Bagshawe (Corby) (Con): Will my right hon. Friend join me in welcoming the good news on jobs announced this morning by KPMG: that February saw the fastest rate of permanent positions being filled for 10 months and that those jobs came from the private sector?

The Prime Minister: My hon. Friend is right to draw attention to that as well as the trade figures. We are engaged in a very difficult operation to rebalance the economy, which for too long was dependent on government, housing, finance and, frankly, on immigration as well. We need an economy that is based more on manufacturing, technology, exports, enterprise and small business. It is going to be difficult, but there are good signs that the private sector economy is growing, and growing well.

Q13. [45199] **Catherine McKinnell** (Newcastle upon Tyne North) (Lab): Last year, Newcastle citizens advice bureau dealt with more than 26,000 cases, supported by 75 volunteers, yet its budget has been slashed and there is no clarity from Lib Dem Newcastle city council on funding from the end of this month. How can this shambolic situation possibly contribute towards the big society?

The Prime Minister: The Government have made sure that the national funding for the CAB debt service has been maintained, and that is a vital part of it. I urge all local councils, whoever controls them—I have had this conversation with my own council—to make sure we do as much as we can to support CABs, which do such a vital job in our communities.

Jake Berry (Rossendale and Darwen) (Con): I am sure all Members agree that one of the most important jobs we perform every year is to represent people who have lost their lives in war on Remembrance Sunday. It is certainly something I do with great pride in my constituency. With that in mind, does the Prime Minister think a £50 fine is an appropriate punishment for those who burn poppies and chant during the silence?

The Prime Minister: My hon. Friend will have spoken for many people in their reaction to that court case. It is difficult unless we are sitting in the court and making that decision ourselves, but many of us look at such cases and feel that as a country we should be making a stronger statement that that sort of behaviour is completely out of order and has no place in a tolerant society.

Q14. [45200] **Mr Brian H. Donohoe** (Central Ayrshire) (Lab): May I take the Prime Minister back to the question on AV, and ask him to look at early-day motion 1550 tabled yesterday, which challenges the funding from the Electoral Reform Society? As, like me, he is a firm supporter of first past the post, will he look at that and write to me afterwards to tell me that there will be an investigation?

The Prime Minister: I have to admit that I have not got round to early-day motion 1550, but it sounds as if I should. We have been looking for all these years for something for the hon. Gentleman and I to agree about, and it is a delight to have this issue. I think some people will be surprised to find that what they thought was an organisation running elections is funding a campaign, but in the interests of coalition unity, I will leave it at that.

James Morris (Halesowen and Rowley Regis) (Con): I recently met a number of manufacturing businesses in Cradley Heath in my constituency. Does the Prime Minister agree that the Government must do all they can to support manufacturing, particularly in areas such as the black country, to drive private sector jobs growth?

The Prime Minister: My hon. Friend is absolutely right. As I have said, we need a rebalancing of the economy whereby we see more technology, more aerospace, more manufacturing and a greater emphasis on such things. We are seeing recent figures showing good strong growth—up to 5% a year—in manufacturing output and even stronger figures for manufacturing export. What the Government can do to encourage that is ensure that we are delivering what manufacturing businesses want: less regulation, lower taxes and a real boost in apprenticeships, which this Government are providing—an extra 75,000 apprenticeships over and above what Labour planned.

Q15. [45201] **Jack Dromey** (Birmingham, Erdington) (Lab): Does the Prime Minister agree that the bankers do a bad job in lending to small businesses and the real economy and that the police do a good job in helping to cut crime? Can he explain, therefore, why he is cutting police pay while letting the bankers walk away with millions?

The Prime Minister: What we are doing is introducing a £2.5 billion levy on the banks each and every year, which will raise more in every year than Labour's bonus tax raised in one year. We are getting money out of the banks into the Treasury. We are seeing the bonus pools come down and bank lending go up. None of those things happened under the last Government.

Mr John Baron (Basildon and Billericay) (Con): The law courts have agreed with Basildon council that the illegal Dale Farm Travellers' site should be cleared, but because the previous Government stopped the council taking action, the site has mushroomed in size. Would the Prime Minister meet me to discuss the case to ensure that justice is done?

The Prime Minister: My hon. Friend has persistently raised this case and this issue in the Commons. I know he speaks for many people about the sense of unfairness that one law applies to everybody else and, on too many occasions, another law applies to Travellers. What I will do is arrange a meeting between him and the Secretary of State for Communities and Local Government so that they can look at what more can be done to ensure that we have real, genuine fairness for all communities in our country.

Points of Order

12.31 pm

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): On a point of order, Mr Speaker. On yesterday's Order Paper, a debate was scheduled on coastguards, one of two debates that I had planned to speak in—

Mr Speaker: Order. Before the hon. Gentleman completes his point of order, may I appeal to hon. and right hon. Members who are leaving the Chamber to do so quickly and quietly so that we can proceed with subsequent business, including the point of order.

Mr MacNeil: On yesterday's Order Paper a debate was scheduled on coastguards, one of two debates that I planned to speak in tomorrow. Today, it is not on the Order Paper. I found out about the change yesterday in a series of Chinese whispers and I was livid, Mr Speaker. I have not heard of a debate being changed at 48 hours' notice. Coastguards are dismayed that the bread-and butter-issue of jobs is being overlooked in this House. Coastguards have been badly treated by the Committee, which is an alleged Back-Bench Committee, made up of Conservative, Liberal and Labour Members who have utterly dismayed me in their treatment of the coastguards. The name "Back-bench Committee" is utterly wrong. It has made this change on a whim, Mr Speaker—

Mr Speaker: Order. I have got the point. First, on a point of fact, people can raise points of order and with those points of order I will deal, but we are not referring to the work of an alleged Back-Bench Committee. The Backbench Business Committee is established, it is functioning in an orderly way and it is chaired extremely assiduously and conscientiously. I will not have aspersions cast on the work of the Committee. I will not have that in this Chamber.

On the point of order, let me simply say to the hon. Gentleman that I am grateful to him for giving me notice and I understand his extremely strong feeling on this matter on behalf of his constituents and on behalf of others as well. I understand that the coastguards debate is now scheduled for a three-hour debate on Thursday 24 March—

Angus Robertson (Moray) (SNP): That is too late.

Mr Speaker: Order. The leader of the Scottish National party must not chunter at the Chair from a sedentary position in that way. It is very uncharacteristic of him and quite unnecessary. That three-hour debate will take place in Westminster Hall. As the House knows—the hon. Member for Na h-Eileanan an Iar (Mr MacNeil), who is an experienced Member, can certainly not claim to be unaware of this—the order of business is not determined by the Chair. The hon. Gentleman is free to raise the matter with the Backbench Business Committee if he wishes. The Chair of the Committee is in her place, and although I will not have a whole series of exchanges on this—that would not be right—if the hon. Member for North East Derbyshire (Natascha Engel), who chairs the Committee, wishes to respond to the point of order and to offer explanation or clarification to the House, she is perfectly welcome to do so.

Natascha Engel (North East Derbyshire) (Lab): Further to that point of order, Mr Speaker. I thank the hon. Member for Na h-Eileanan an Iar (Mr MacNeil) for giving me notice of his intention to raise his point of order. I do not want to go into the difficulties of scheduling business, but I want to say that the Committee absolutely emphatically recognises the importance of the coastguards debate. Far from cancelling it, we rescheduled it in order to protect the full three hours of debate that it so clearly deserves. However, the notice given was very short, and I apologise for that, and I deeply regret any inconvenience that this rescheduling has caused to any Member of the House. Parliamentary business changes at a moment's notice, but I do regret any inconvenience caused to the hon. Gentleman.

Several hon. Members *rose—*

Mr Speaker: Order. I see other members of the Backbench Business Committee bidding to catch my eye. I just said that I am not going to have a protracted exchange on this; that would not be right or a proper use of the time of the House. I think I can say, and will command general assent for this proposition, that we have had a very clear and gracious response from the Chair of the Backbench Business Committee. Other Members may agree with it or they may disagree with it; such is the stuff of democracy. But a point of order was very properly raised by the hon. Gentleman; I have responded to it; the hon. Lady has said her piece. It is not a continuing debate. The position is clear, and that is the end of the matter.

Mr MacNeil *rose—*

Jim Shannon (Strangford) (DUP) *rose—*

Mr Speaker: If, on an unrelated point of order, Mr Jim Shannon wishes—

Mr MacNeil: Come on!

Mr Speaker: Order. I have made the position very clear. It is no good the hon. Gentleman shaking his head. He asked his question, in order, he raised the point of order and I have responded to it. There has been a further come-back on the point of order. I think most Members of the House would accept that the matter has been properly aired in the Chamber this afternoon.

On an unrelated point of order, Mr Jim Shannon.

Jim Shannon: On a point of order, Mr Speaker. First, I thank the hon. Member for North East Derbyshire (Natascha Engel) for her response; I understand that. On the procedure, given that the coastguards issue was to be debated, and that it was on the annunciator at 10 am this morning, is it in order for the business listed in Tuesday's Order Paper—

Mr Speaker: Order. I am sorry; I do not wish to be unkind. The hon. Gentleman is an extremely assiduous new Member. I very clearly said, "On an unrelated point of order." We are not continuing this exchange. So, nice try, but I am afraid it is not in order. I shall take any unrelated points of order.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): On a point of order, Mr Speaker. On Channel 4 news yesterday evening, the Secretary of State for Energy and Climate Change described 50 kW as "an enormous amount of power. That's the equivalent of 1,500 domestic roofs." That is just plain wrong, and either this is startling incompetence by the Government or they have based their review of solar feed-in tariffs on a completely false premise. The review is already causing uncertainty; these comments make it worse. I wonder, Mr Speaker, whether you can use your good offices to ensure that the Secretary of State clarifies the Government's position to this House and to the public as quickly as possible.

Mr Speaker: As the hon. Lady knows—and as far as I am concerned, this is very fortunate—the content of ministerial statements or answers is not a matter for the Chair. If a Minister has made an incorrect statement, there is a procedure for setting the record straight, and that will be well known to all Members on the Treasury Bench. Meanwhile, the hon. Lady has put her concerns and her interpretation of the facts very clearly on the record, and that statement and interpretation will have been heard by Ministers.

Paul Flynn (Newport West) (Lab): On a point of order, Mr Speaker. There is a matter that is causing great concern within the country, but on which the Government are silent in this House: the alleged conduct of certain official representatives of this country who are cultivating friendships with some of the emergent tyrannies in the world, including Azerbaijan. Should we not also be debating in this House whether we choose our trade representatives on the principle of inheritance?

Mr Speaker: There is every opportunity for the hon. Gentleman to raise this matter at business questions tomorrow, and he may well choose to do so. I have got a feeling that he will be hot-footing it to the salon, as the Leader of the House describes it, of the hon. Member for North East Derbyshire, who chairs the Backbench Business Committee, because I think the hon. Gentleman will probably be pursuing a debate on this matter in that Committee's time.

Mr Ian Davidson (Glasgow South West) (Lab/Co-op): On a point of order, Mr Speaker. Yesterday, I apologised to the House and I wish to make a further apology. Yesterday, I apologised for suggesting that the reason why the Liberals had come sixth was because the nationalists and the—

Mr Speaker: Order. The hon. Gentleman must resume his seat. I listened very carefully to what he said yesterday. He is very dexterous in his use of parliamentary language and he has a great sense of humour, but what he must not do—I say this in all seriousness—is abuse the point of order procedure to make apologies that transpire to be nothing of the kind and are really carefully crafted partisan points which suit his book. I cannot believe that he would ordinarily want to do that, but I think he was planning to do it today and I cannot allow him to continue with it.

Naomi Long (Belfast East) (Alliance): On a point of order, Mr Speaker. On two occasions during Prime Minister's Question Time—both this week and in previous weeks—the Prime Minister has asserted that money that is going to be released by reform of the coastguard service will be redirected into front-line rescue missions. However, this is actually done by charitable organisations such as the Royal National Lifeboat Institution, and it is unclear as to how the transfer will take place. Would it be in order to request that the Minister responsible provide either a written or an oral statement to the House to clarify the link between the two?

Mr Speaker: The decision on whether to make a statement is a matter for the Government, as is the form that the statement takes. Otherwise, my earlier remarks about the procedure for correcting ministerial inaccuracies apply to the hon. Lady's point of order.

If there are no further points of order, we will move on to the ten-minute rule motion, for which the hon. Member for Cheltenham (Martin Horwood) has been patiently waiting.

Tied Public Houses (Code of Practice)

Motion for leave to bring in a Bill (Standing Order No. 23)

12.41 pm

Martin Horwood (Cheltenham) (LD): I beg to move,

> That leave be given to bring in a Bill to require the Secretary of State to introduce a statutory code of practice to require certain pub owning companies to provide their tied lessees with a guest beer option and the option to become free of tie accompanied by an open market rent review; and for connected purposes.

I should straight away express my appreciation for the support that this Bill has received from hon. Members on the Liberal Democrat, Labour and Conservative Benches; the hon. Member for Na h-Eileanan an Iar (Mr MacNeil); the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd); the hon. Member for Brighton, Pavilion (Caroline Lucas); the Campaign for Real Ale; the Federation of Small Businesses; and the all-party Save the Pub group. I am grateful for all their support.

In bringing the subject of beer and pubs before this House, I stand in a fine Cheltenham tradition: my Liberal Democrat predecessor, Nigel Jones, now Lord Jones of Cheltenham, was chair of the all-party group on beer; his Conservative predecessor, Sir Charles Irving, was himself a licensee; and the longest-serving Member for Cheltenham, another Conservative, the right hon. Sir James Agg-Gardner, was a local brewer. In 1848, the very first MP for Cheltenham, a great Liberal, the hon. Craven Berkeley, risked the wrath of the religious lobby in the town by trying to delete the fixed opening hours for pubs on Sundays from the Sale of Beer Bill. All of them shared an appreciation of the very special and much-loved role that pubs play in our national life. As Lord Jones has said,

> "a pub does not just sell beer. It is a social centre, providing meals and snacks, raising money for local charities and diversifying offerings all the time."—[*Official Report, House of Lords*, 11 December 2008; Vol. 706, c. 559.]

He might have added that pubs are places where national sports are watched in good company and local sports teams are formed—indeed, hugely popular skittles leagues operate almost nowhere else.

The pub is the hub scheme, another one of those inspired initiatives for which His Royal Highness the Prince of Wales gets insufficient credit, has shown that, imaginatively used, pubs can provide a location for community shops, post offices and even youth centres. Of course, perhaps most importantly of all, they provide a social drinking environment, open to families and pensioners, and to new drinkers and old regulars. Pubs are personal enough to exert peer group pressure on those who might be tempted to drink irresponsibly and people who really have had too much are refused another in them, as they should be everywhere.

The British pub is a unique institution—it is a product of history that would be very difficult to recreate if we ever lost it. But we are losing our pubs, at the rate of as many as 40 a week; we are losing thousands a year. The list of lost pubs in Cheltenham includes the Greyhound, the Cat and Fiddle, the Bass House, the Duke of York and four others since just 2007. Whole communities, such as Whaddon in my constituency, are now without any local pub. Even where the pub does not close, many publicans are finding it harder and harder to make ends meet, and many go bust only to be replaced by a rapid succession of new tenants or lessees.

The reasons given for the decline are many, and I acknowledge that they are not restricted to the tied public houses which are the subject of this Bill. Such reasons include everything from happy hours to economic downturn, supermarkets and lifestyle changes.

In 2004, the Federation of Small Businesses was so concerned about a particular issue that it asked the then Select Committee on Trade and Industry to investigate. That issue was the profoundly unequal relationship between tenant and lessee landlords and the big new pub companies, or pubcos. At the heart of this relationship is the tie—a strange addition to the normal landlord and tenant business relationship that applies to short-term tenants and long-term lessees. In what should be a relationship of mutual benefit, tenants and lessees have to pay a premium of 40% or more on the open-market rate for beer. I have seen invoices side by side for the same quantity of the same beer to support this contention. Those tenants and lessees also have to pay rent based not on the normal calculations of square footage but on the rather obscure and highly subjective judgment of the pub company of estimated earnings of a reasonably efficient operator. In other words, the pub company calculates the maximum amount it can extract from the business and charges it. In return, publicans get apparently valuable business and marketing support from the pubco.

That first Select Committee inquiry rang alarm bells about the state of the industry but was pretty gentle on the tie itself, weighing up the benefits and costs for publicans. Self-regulation appeared to be the name of the game and the Committee shied away from recommending a legally binding code of practice, although it did say that

> "Government should not hesitate to impose a statutory code"

if matters did not improve. The follow-up report in 2008 by the Select Committee on Business and Enterprise was much more damning and included its own commissioned research into the state of lessees' businesses. The research found that 78% of lessees were dissatisfied with the tie, that 67% were earning less than £15,000 a year and that 50% were earning less than that even when their pubs were turning over more than £500,000 a year. The majority believed that the tie with the pubco did not add value to their business. The Committee concluded:

> "The imbalance of bargaining power persists"

between pubco and publican. It went on:

> "The arrangements for assessing rents remain opaque…Rental assessment should be the basis for negotiation, but incumbent lessees often risk loss of their home as well as their business if they cannot reach agreement."

This time, the Committee concluded that it had

> "no confidence that the advantages of the tie outweigh its drawbacks."

Another follow-up report by Select Committee on Business, Innovation and Skills in the following year reviewed the new British Beer and Pub Association framework code of practice and concluded that it represented only "modest progress" and that the issues surrounding the tie had not been resolved. The Committee suggested a deadline of June 2011 for self-regulation to give way to statutory regulation. Its message to the pubco industry was clear:

> "If it fails to deliver on its promises by June 2011, it should be in no doubt what the reaction will be."

Well, June 2011 is not far away and I can tell the House that new FSB research still paints a gloomy picture. According to its preliminary findings, 91% of its tied pub members do not think the tie allows them to make a fair profit. More than 85% believe it prevents them from competing effectively in the marketplace and the same number would like to be free of the tie. One FSB member told researchers:

> "Enterprise Inns are happy for any tenant to fail. They would sell a pub and land for top market value and only then reinvest in other property to suit. They are, after all, property and land developers".

That might be harsh but there is a serious breakdown in the relationship between the pubcos and their tenants and lessees, whose businesses continue to fail at an alarming rate while we continue to lose pubs at the heart of many communities.

A quick glance at the latest BBPA framework code of practice and the codes of practice used by the two leading pubcos, Enterprise Inns and Punch Taverns, highlight the inequality of the situation. Potential tenants and lessees are given a terrifying list of responsibilities. They are urged to engage solicitors, get structural surveys, talk to the police, environmental health and other appropriate authorities, check if a Highways Act licence is in place, engage their own qualified accountants and stocktakers, apply for their own gaming licences, obtain an asbestos survey, a full electrical report and a gas safety certificate, and so on—all at their own expense. The pubco helpfully offers training in food safety, health and hygiene, drug awareness, first aid and door management, along with repairs, maintenance and insurance—but also at the publicans' expense. Indeed, publicans are not allowed to get insurance from anywhere else.

The real support that the pubco provides, outside the rather opaque area of the rent, is in marketing and advice on the product mix, legal compliance and cash-flow and financial management. That is helpfully explained in one of the codes of practice: it is given face to face, typically for one and half hours, once every 12 weeks. That adds up to less than one working day of face-to-face business support a year, in exchange for which the pubco could extract between £15,000 and £20,000 of value from lessees' businesses.

It is difficult to escape the conclusion that unless Parliament steps in, we will see those pubcos manage even more traditional British pubs into oblivion. The Bill does not ban or abolish the tie, but it does aim to replace the codes of practice with a statutory one, as recommended by the Select Committee, and almost in time for its deadline, along with a guest beer option and the option for lessees to relinquish the tie in a process that is fair and transparent to both parties. My illustrious and sociable predecessors would be proud of us if we saved the pub that they all enjoyed, and future generations will thank us if we help to save the traditional British pub for them to enjoy as well. I hope the Bill will help us to do just that, and I commend it to the House.

Question put and agreed to.

Ordered,

That Martin Horwood, Greg Mulholland, Tony Cunningham, Neil Carmichael, Mr Angus Brendan MacNeil, Mr Elfyn Llwyd, Caroline Lucas, Stephen Metcalfe, Lisa Nandy, Lorely Burt, Stephen Williams and Jackie Doyle-Price present the Bill.

Martin Horwood accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 10 June, and to be printed (Bill 160).

Welfare Reform Bill

[Relevant documents: The oral evidence taken on 26 January and 9 February 2011 by the Work and Pensions Committee on the White Paper on Universal Credit, and the written evidence received, HC 743.]

Second Reading.

Mr Speaker: I have selected the amendment in the name of the Leader of the Opposition.

12.52 pm

The Secretary of State for Work and Pensions (Mr Iain Duncan Smith): I beg to move, That the Bill be now read a Second time.

The Bill before us today covers a number of areas, but I hope that it sets a new course for the welfare state. I believe it will enable us to reach out to some of the groups of people who have become detached from the rest of society—trapped, too often, in a permanent state of worklessness and dependency. For the sake of the House, I will go through the relevant clauses of the Bill. I am sure that colleagues on both sides of the House will want to intervene. I hope they will recognise that we shall get to most of the clauses that they want to discuss, but I will take interventions as and when they come.

The problem is that although from 1992 to 2008 this country saw some 63 consecutive quarters of growth, and 4 million more people were in employment by the end of that period, before the recession had even started we still had some 4 million-plus people on out-of-work benefits. The question is: where did all those jobs go? Under the previous Government, over half of the jobs created went to foreign nationals. This is not an immigration point; it is a point about supply and demand. There were a group of people in this country completely unable, it appears, to take advantage of that long period of growth and job creation. In essence, the key point about the Welfare Reform Bill is that it is intended to help that group.

Steve McCabe (Birmingham, Selly Oak) (Lab): I am grateful to the right hon. Gentleman for giving way so early. I wondered whether, at the outset, he would like to comment on the reports in today's *Telegraph* that the cancer charities are warning that his proposals for employment and support allowance will penalise those who do not recover soon enough. How could anyone think that that is a fair approach, in a Bill like this?

Mr Duncan Smith: I think the report was in *The Guardian.* I do not know whether it is in *The Daily Telegraph.*

Steve McCabe: The *Telegraph* too—you're famous.

Mr Duncan Smith: I read *The Guardian*; he reads the *Telegraph*. What can I say? Times really are changing.

I have read the report, and I think that a number of elements in it are simply not altogether correct. I say that rather carefully because the point about the cancer aspect is that, as the hon. Gentleman knows, we inherited from the previous Government a process of reform and change to the employment and support allowance, which included the work capability assessment. We supported that, with the previous Government, because it was the right thing to do—to look at the 1.5 million people on incapacity benefit and check them over. We did not inherit any real allowance for cancer sufferers. It is important to make this clear. The Employment Minister, my right hon. Friend the Member for Epsom and Ewell (Chris Grayling), immediately accepted the internal reviews, but went further. He asked Professor Harrington to conduct a review of what we did regarding cancer patients and others, and the hon. Gentleman, being a generous individual, will know that we then incorporated a big change, so that a person in cancer treatment—chemotherapy—who is between treatments will go straight on to the support element. Thus the contributory aspect will not affect them, because while they are on the support element they will continue to be supported when they are out of work.

Sheila Gilmore (Edinburgh East) (Lab) *rose—*

Mr Duncan Smith: One second. Would the hon. Lady forgive me? I have been asked to answer a question and I shall try to answer it. We have already made some very substantial change to support people in cancer treatment. The concerns of Macmillan and others relate to oral chemotherapy. I understand that. We have already asked Professor Harrington, in his second review, to undertake to give some advice on that. We have a slight problem with that from the start, because it is a fairly new form of treatment and a limited number of people are on it. So far, much of the medical evidence suggests that it does not affect people in the way that intravenous chemotherapy does; it is not as debilitating. We remain open to that evidence.

Although there is no provision for oral chemotherapy right now, my right hon. Friend the Employment Minister has made it clear that Professor Harrington will review the subject and take evidence, and we have asked the cancer groups to offer up their thoughts and advice, in addition to the medical fraternity. We will take account of what Professor Harrington says. As the hon. Member for Birmingham, Selly Oak (Steve McCabe) knows, last time we adopted all the recommendations in the professor's report in their totality. So we are not in the business of trying to harm or affect cancer patients; quite the contrary. We made some very serious changes to what we inherited from the previous Government—I would like to think that they would have done the same—and we will continue to do so. I hope that answers the hon. Gentleman's question. If he will let me get on with the rest of the Bill, I will.

Naomi Long (Belfast East) (Alliance): Will the right hon. Gentleman give way on that point?

Mr Duncan Smith: I would like to make a bit of progress, if the hon. Lady does not mind. I think I have been pretty generous on that aspect. I will return to it.

The key is that I hope the Bill in general—we shall get to the more specific elements later—represents a whole new concept: a contract with people who are in need of support. For those who are able to work, work should pay, and for the most vulnerable in society we will continue to provide the support that that they need. I think it is our duty to do so. We can debate the levels of that support, but it is our duty none the less.

The Bill says to the taxpayer, "Your hard-earned money must be spent responsibly." We sometimes forget, in our debates on welfare, that the taxpayer is also a player in this, because taxpayers—many of them on low and marginal incomes—are constantly being asked to pay in taxes towards support for others. That is fair, but we have a responsibility to ensure that taxpayers too are properly supported. I shall now outline some of the principles of the Bill, and then I will try to get through the various clauses.

Mr Andy Slaughter (Hammersmith) (Lab): Will the right hon. Gentleman give way?

Mr Duncan Smith: Forgive me; I want to make progress before I take more interventions, but I certainly will not shy away from interventions.

I note the comments by my opposite number, the right hon. Member for Birmingham, Hodge Hill (Mr Byrne), that his party agrees with more than

"three quarters of the principled and burden-sharing"

changes that the Government are making. Obviously, in his interventions he will make clear what he does not agree with. I have read his amendment and there will be some questions about some of that; I am sure we will get to that in a minute.

I intend to take the House through the Bill stage by stage. Let me start with universal credit. I shall begin with an overview, and then consider some of its detailed aspects. The universal credit obviously sits at the heart of this welfare reform. I do not think I would want to embark on this process if that were not the case. I believe it is a commitment to the public that work will always and must always be made to pay, particularly critically for that group of people who are probably the most affected—the bottom two deciles of society—who have too often found it really difficult to establish that work does pay.

I am pleased to say that those principles seem to have received support from a number of stakeholders, including Citizens Advice and the Institute for Fiscal Studies. The IFS said that by and large the measure was a progressive change. We anticipate that the universal credit will make some 2.7 million households better off. Over 1 million households will be better off by more than £25 a week—clearly, those will be down in the bottom deciles—and 85% of that increase will go to households in the bottom 40% of the income distribution.

We have agreed a package of transitional protection which will ensure that there are no cash losers as a direct result of the migration to universal credit, where circumstances remain the same. The universal credit should also start making inroads into the couple penalty. Members on both sides of the House agree that that is necessary. I know that the right hon. Member for Birkenhead (Mr Field), who is in his place, has made great play of that over the years, and many of us have agreed with him.

Mr David Evennett (Bexleyheath and Crayford) (Con): I am listening with great interest to my right hon. Friend's speech. Can he give me some further detail on how the benefit cap will be introduced?

Mr Duncan Smith: I was coming to that, but I shall touch on it now; I may make some further comments later. The principle is that people who are unemployed and on benefits should not be receiving more than average earnings. It is a matter of fairness, so that those who are working hard and paying their taxes do not feel that someone else will benefit more by not playing a full part in society. We recognise that there must be transitional arrangements. We will work intensively with the families affected once the cap comes in. We will help them move into work, to change their circumstances so that they are not affected. We will make sure that families who need transitional support will receive it. We will make more detailed statements about that later.

The idea is that we should encourage people back into work, and most of all that people who are in work and paying their taxes should feel that it is fair that while they earn and they work hard, others realise that the best way to increase their income is through work, not through benefits. That is a great principle.

Mr Slaughter: According to the right hon. Gentleman's Department, 70% of those affected by the benefit cap live in social housing. The Housing Minister is building only unaffordable housing, because of the rent levels set. Is not the cap just a crude piece of social engineering, forcing people not to live in expensive areas, such as the constituency that I represent? Is it not directed at vulnerable people and the poorest in society, making it possible for them to live only where the Secretary of State chooses for them to live?

Mr Duncan Smith: With respect to the hon. Gentleman, it is not about where I choose for them to live. As with everybody else, it is about where their income and their ability to earn allow them to live. There are many people in London, for example, who work hard and who commute well over an hour to get to jobs because they cannot afford to live in parts of central London. We may argue that the cost of living in London is too high. One of the arguments that I would make is that the way that the previous Government's local housing allowance was set drove up rents in both the private and the social housing sector. The hon. Gentleman should consider that what we are doing is reasonable. What we are trying to do is not to damage people, but to get them in locations where they can afford both to live and to work. I will return to that.

Several hon. Members *rose—*

Mr Duncan Smith: I shall make a little more progress.

May I confirm that we shall move from the universal credit making inroads into the couple penalty to a subject on which I am sure many right hon. and hon. Members will want to speak—child care costs in universal credit? I can confirm that support for child care costs will be provided by an additional element paid as part of the universal credit award. We will invest at least the same amount of money in child care as in the current system, and we will aim to provide some support for those making their first moves into work, so that the support available is not restricted to those working more than 16 hours.

This is an important point. Although there is a debate about it, we must remember that working tax credit gives that child care support to those in the relevant band. Universal credit will allow claimants to adjust their hours of work to suit their child care responsibilities. It will allow people to set their hours of

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work more in line with their caring responsibilities. It will cover all the hours that people are planning to work. We will be much more flexible, and we intend to work closely with relevant groups to take further advice about the rates that we will set. By the time the Bill reaches its Committee stage, we will be able to be more specific.

Kate Green (Stretford and Urmston) (Lab): Can the right hon. Gentleman confirm that as a result of that further consideration, there will be no circumstances in which, as a result of child care costs, a parent could be faced with a marginal deduction rate of more than 100%, as some models prepared for us by Family Action have suggested?

Mr Duncan Smith: That is not our intention, and it is why we were are proceeding carefully and consulting about our proposals. The purpose is to maintain incentives to go to work. Universal credit is designed to encourage lone parents to go to work, but it recognises their need to meet their child care responsibilities. We can debate the various elements, but the principle is that the measure should be more than helpful to them. We will move on to the finer detail as we get to Committee stage.

As we increase support to make work pay, it is right to ensure that claimants do everything they reasonably can to find or prepare for work. As the House knows, we will tailor conditionality to individual circumstances, and require all claimants to accept what I call a claimant commitment. From the outset they will be asked to sign up to the idea that we will provide them with the necessary support and access to universal credit, but we will also expect them to recognise that the sanctions regime is applicable. It is easy to understand. If they do not comply with that as they go further through the process, they are likely to encounter that sanctions regime at key moments.

The toughest sanctions will apply to those who are expected to be seeking work but fail to meet important conditions. They should understand that if they keep on crossing a series of lines, they will invoke the sanctions regime. The problem at present is that the regime is often confusing. I have visited jobcentres a number of times—and I see on the Opposition Benches one of the Members who used to be a Minister in the Department. As he knows, if one talks to jobcentre staff, they will say that the problem is that when claimants reach the point where they are about to hit sanctions, it comes as a big surprise to many of them that sanctions will be imposed and that the situation is real and serious.

By letting claimants know much earlier and by introducing a regime that is easy to understand, with a simple tripwire process, they will know from the word go. That should disincentivise people from taking the wrong turns. Benefits will be taken away for three months after a first failure, six months after a second, and three years after a third. That will apply to those at the top level—in other words, those who are fully able to search actively for work and to take it. There are, however, other categories. The same conditions would not apply to lone parents, for example.

Hywel Williams (Arfon) (PC): The rate of worklessness and the availability of jobs vary from area to area. What account will the sanctions regime take of that variation?

Mr Duncan Smith: The sanctions regime is about work being available. If work is not available, people cannot be expected to take jobs, so I give the hon. Gentleman the assurance that no one will be told that they are on sanctions if there is no work available. The sanctions apply only if a job is available, the claimant has been offered it and for one reason or another has not taken it, or if they are not complying with the details of what they are meant to be doing to seek work. That is only fair. People who pay their taxes want to know that everybody out there is seeking work. If they are seeking work sanctions should hardly ever apply, and in most cases they will not apply.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The right hon. Gentleman is making a thoughtful speech, and I know him to be a thoughtful and caring politician. I will give careful consideration to much of the Bill and I will not vote against Second Reading. Is it not spoilt, however, by what is happening to the mobility component of disability living allowance? I visited a residential home in Huddersfield, in Edgerton, only last week. The Bill will destroy the lives of most of those people, 60% of whom are in wheelchairs.

Mr Duncan Smith: I thank the right hon. Gentleman—although I am not sure: is he a right hon. Gentleman? *[Interruption.]* An hon. Gentleman—okay. That is something that his party should do—it is not for me—given his record of service.

Yes, I accept that there were issues. In fact, when we looked at the decisions taken at the time of the spending review, I reviewed the matter, after discussing it with the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Basingstoke (Maria Miller), who is the Minister responsible for these matters. We visited lots of care homes—my hon. Friend went out to see people and talk to them—and we realised that there was a lot of chaos out there about what should be given to people in care homes, what care homes themselves provide, and what local authorities believe it is their statutory responsibility to provide. Some of them say that they do not have any such responsibility to provide mobility services, but others say that they do, and provide access to such services.

We have therefore changed the provisions in the Bill, as the hon. Member for Huddersfield (Mr Sheerman) has probably noticed. That will be incorporated in the review of disability living allowance. Our objective is to get rid of the overlaps, genuinely to find out what can be provided at local level, and to figure out what the amount should be to support someone in a care home, bearing in mind that mobility needs in a care home are likely to be variable, and different from the needs of someone living in the community completely independently. Adjustments will be necessary, but my hon. Friend and I give the hon. Gentleman and the House an undertaking that we are going to try to figure out what the right answer is. We will work out a set of figures, and how they can be applied. That is the purpose of the review; I guarantee that.

Mr Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): Reflecting on what the Secretary of State has just said, does he recall that on several occasions, the Prime Minister has been given the opportunity to say that he has listened to the evidence and accepts that there is virtually no support for withdrawing the mobility component of disability living allowance for people living in residential accommodation? To what extent does the Secretary of State's position differ from the position taken again and again by the Prime Minister?

Mr Duncan Smith: We are as one. I say that immediately, before I explain the position.

The reality, for the Prime Minister and for me, is that when we understand that certain facts are slightly different from what we thought they might have been, we always modify what we are doing to make sure that the effect of what we are trying to do is reasonable and produces the best results. All I can say to the right hon. Gentleman is that the Bill is not the same as the one that he would have seen some weeks ago. We are not knocking out the mobility component from care homes, and we have included it in the review of what mobility provisions are necessary and required for people in care homes. That is the real principle behind the measure. My previous comments were about finding the overlaps, and how we made sure that they did not cost people money in one area, but found those costs in other areas. That is the main point of the review, and I have asked my hon. Friend the Under-Secretary to make sure that that is the case. The Bill covers that, and I hope that most people will see that it is quite reasonable to try to recognise what that figure is.

Several hon. Members *rose—*

Mr Duncan Smith: I shall try to make progress, if hon. Members do not mind, because I have given way quite a lot on that subject.

Before the introduction of the universal credit we will introduce many of the changes to conditionality and sanctions that I discussed. Claimants, I hope, on that principle will accept the claimant commitment, as they will be subject to tougher regimes that are fair and reasonable. Turning to other benefit changes, we are making changes to the income support regime for lone parents before the introduction of universal credit. Lone parents who can work will be expected to claim jobseeker's allowance when their youngest child reaches the age of five. We want as many people as possible to get help to engage with the labour market, and we know that about 80% of all lone parents are working or would like to work.

There will continue to be safeguards to allow parents to fit their job-search requirements with their caring responsibilities and child care availability. There are other relevant changes, too, and I accept that there have been concerns about them. I would be interested to learn the Opposition's position on that. We are making changes to contributory employment and support allowance, time-limiting receipt to one year for those in the work-related activity group. There will be no change for those in the support group, as we have made clear, and people claiming income-related employment and support allowance will be unaffected.

I note the comments that have been made by the right hon. Member for Birmingham, Hodge Hill, who accepted, in his speech to the Institute for Public Policy Research, that time-limiting ESA is the right thing to do, but disagreed about the period—in this case, a year, whereas he was talking about two years. However, that is not clear in the amendment to the motion, so I wonder whether he could clarify the position. The amendment opposes the limit altogether, rather than the number of years. I would happy to accept an intervention from the right hon. Gentleman if he wished to clarify the position. *[Interruption.]* He will cover it in his speech—very good. I hope that we will understand that, as principles and practicalities need to come together.

I would point out to the right hon. Gentleman and to everyone else that the one-year limit is twice as long as that currently in place for jobseeker's allowance. There has been discussion of people undergoing cancer treatment and others. That is best dealt with under the ESA regime and reviews, so that we can decide which groups are relevant, and which not, as we have done with some cancer patients undergoing chemotherapy. They have been taken out of that provision because they are in the support group. Professor Harrington's review is the best way of doing that. We have established the principle of receipt for a year, and the rest is about the details of the conditions that best apply, and that can be dealt with in the Harrington review.

That best reflects the different nature of ESA and the different needs of those who claim it. However, we simply cannot pay those benefits indefinitely. I wonder whether that would have been the previous Government's position if they had undertaken further reviews. For limited contributions under ESA, it would have been feasible for someone to receive ESA for their rest of their life. That was one of the big issues that we had to tackle.

Sheila Gilmore *rose—*

Mr Duncan Smith: I will give way to the hon. Lady, because she has been persistent.

Sheila Gilmore: I thank the Secretary of State for giving way. ESA is not given indefinitely, because there are constant assessments and reassessments. I have constituents who have been reassessed twice in the past two years and who are due for another assessment. It is not true that someone who receives contributory ESA will receive it for ever without assessment. The assessment process should cover that, without an arbitrary cut-off date.

Mr Duncan Smith: I remind the hon. Lady that in the support group, the contributory element does not apply. It applies to people with finances that take them above the line. The income-based measure continues—that is not the issue. The issue is whether we think that people who have contributed for a certain time have the right to contribution-based benefit, regardless of their income, for a period of time. That is the debate. The income-based measure is exactly the same—it is not going to change, so that meets the hon. Lady's concerns.

Sheila Gilmore *rose—*

Mr Duncan Smith: I think that I have dealt with that.

There are other changes, including the consumer prices index uprating, in the Bill. We must get to grips with the housing benefit system, which ran out of control under the previous Government. I have a deep suspicion that they knew that before they called the

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election, and I sense that there were big differences about whether they would do something about this. Over the past 10 years, overall spending on housing benefit has almost doubled from £11 billion to £21 billion, which is a huge increase. I accept some of the arguments about the reasons for that—the fact, for example, that house building fell to a record low, and more and more people had to be moved into the social rented sector—but the reality under the local housing allowance regime was that we lost control of spending. We have therefore introduced a number of changes to the local housing allowance, including a move to annual uprating in line with CPI. Restricting uprating should enable us to keep downward pressure on rents. Only if an increase in local market rents exceeds the annual rate of CPI will the restriction apply. That will also be an important step towards the integration of housing support with the universal credit.

We accept that those changes will not be easy for some people, which is why we want to provide a great deal of transitional protection. Essentially, we have put up a total of about £190 million to smooth the transition to those measures for those who are most likely to be deeply affected. That includes £130 million in discretionary housing payments, £50 million to assist people with housing advice and removal costs and £10 million for homelessness prevention, particularly in London. That, coupled with the other changes that we have already made through regulations, where we are looking at making direct payments to those who are able to lower their rents and at delaying the point at which the measure comes in by some nine months, was a product of listening to people's main concerns and trying to ensure that what we bring in is doable and manageable by councils.

Alison Seabeck (Plymouth, Moor View) (Lab): On the right hon. Gentleman's point about housing benefits, what discussions has his Department had with housing associations and their lenders about the disaggregation of housing benefit under the universal credit and the direct payment to housing associations? They are deeply worried that, without that direct payment capacity across the piece, arrears will rise and lenders will become more nervous.

Mr Duncan Smith: We have had, and continue to have, those discussions, and I understand the concern. There is a debate, on both sides of the argument, about whether we basically continue with the principle that we should pay people and deal with certain elements of what they receive because they are not capable of doing so themselves, or whether we try to get people to the point where they are capable of managing their own money more and more. I recognise from the hon. Lady's intervention that, on this matter, there is no absolute, but there is at least a debate on both sides, and that is simply where we are at the moment—trying to discuss the issue with those who feel that they would be most affected.

Mr Stewart Jackson (Peterborough) (Con): Was it not a moral catastrophe and economic madness when, under the previous Labour Government, registered social landlords had no incentive to tackle welfare dependency, because their main funding stream was housing benefit? Under this Bill, registered providers will have an opportunity to tackle welfare dependency among their tenants.

Mr Duncan Smith: What we want from the Bill is to encourage people to get involved in the process—to help people to use it as part of the incentive of trying to make the right decisions about taking work and providing for their families.

Geraint Davies (Swansea West) (Lab/Co-op): Will the right hon. Gentleman consider the example of a married couple who are at work and have five children from previous marriages, but then lose their jobs because, for instance, they work for the local council? Because they have five children, they would get almost £500 of personal allowance and £200 of housing benefit, taking them over the £500 cap. Rationally, they might choose, because of the £500 cap, to split up their family so that there are three children and two children in two houses, each with £250 of personal allowance and £200 of housing benefit, making a global total of £900, when it would have been £700. Surely his policies of breaking up families and making demands for more and more social housing, alongside making people unemployed, do not add up to fairness or competence.

Mr Duncan Smith: I understand the hon. Gentleman's point and can, I hope, assure him that as the Bill progresses, and as he will see as we reach Committee, our objective is to recognise that unemployment, for those who fall unemployed, is probably a temporary condition. He will understand that point more as we get into the detail, but trying to find some way of protecting such people through that process is critical to us, as the vast majority will be back in work within a set period: 90% of people will be back in work within a year. Most people will get through that process, and it is for us to ensure that the transition is met and dealt with, but I think that he will be very happy in due course to hear what we propose.

Charlie Elphicke (Dover) (Con): Will my right hon. Friend give way?

Mr Duncan Smith: I am going to make a little progress, because I am conscious that we have a limit. Mr Speaker is looking at me benignly, but he might not look so benignly shortly.

It is time for fundamental reform of the social fund, which is poorly targeted and open to abuse. Some 17,000 people have received 10 or more crisis loans in the past 12 months, and we have already taken steps to limit the number of crisis loans for living expenses to three in a 12-month period. Those are important steps, because the fund has been somewhat out of control and is complex. The Bill will then pave the way for local authorities in England to deliver a system of assistance that should replace the community care grants and some crisis loan provision. This is a complex area, and many will know more about it than I do, but the key point is that we are trying—

Dr Eilidh Whiteford (Banff and Buchan) (SNP): Will the right hon. Gentleman give way?

Mr Duncan Smith: In a second. I think that the hon. Member for Bolton South East (Yasmin Qureshi) was slightly before the hon. Lady.

The key thing that we are trying to do is to give local authorities an element of control over some of the process, including in particular what I call the crisis loans short-term element—the hiatus moment in the payments,—and some of the community care grants. The point is that, when the fund became only distantly linked to the Department, the telephone concept behind it allowed people to push up the number of claims, because they were not seen or understood, so their cases were not properly known and it was very difficult to decide whether they were true or false. Local areas will be far better able to recognise who such people are, what conditions they are in and what circumstances apply to them. Therefore, localising the process will be very important. Of course, huge swathes of it will remain centralised, but we feel that those two elements in particular will most respond to localisation.

Yasmin Qureshi (Bolton South East) (Lab): I understand the Minister's explanation of the social fund, but a linked point is that thousands of young children currently receive a free school meal, the only hot meal that most of them get, and that some people also receive free prescriptions. Can the Secretary of State assure us that those who receive free prescriptions and free school meals will continue to do so?

Mr Duncan Smith: That is exactly what we plan to do, but, because of the universal credit, we will have to be a little more specific, and we will be so in Committee. We are still looking at the best approach to take, but that is exactly what we plan to do. We do not want—the purpose is not—to disadvantage anybody who receives such support, but, because of the way the universal credit works, we will have to think through carefully how we achieve that. The principle behind the measure will remain that we want to support those who are in difficulty and receive support as it stands.

Mr Slaughter: Will the Secretary of State give way?

Mr Duncan Smith: I think that the hon. Member for Banff and Buchan (Dr Whiteford) was before the hon. Gentleman, and he has had a shot.

Dr Whiteford: Returning to crisis loans, my greatest concern is that people who go for them will not be able to buy essential items such as cookers and beds. That will push them straight into the arms of loan sharks and other high-cost lenders, and that issue has been overlooked. I also question the view that the increase in the uptake of such loans has not been down to the recession and the hardship that people have faced.

Mr Duncan Smith: The answer to the hon. Lady's question is that budgeting loans will still be available for those cases. On the second question that she raises about crisis loans being down to the recession, the trend of upward claiming was on track and had started long before the recession.

The Minister of State, Department for Work and Pensions (Steve Webb): With the telephones.

Mr Duncan Smith: My hon. Friend has made that point to me again and again. The key problem resulted from the changes that were made to dislocate much of the process from people—face to face—who knew what was going on in their communities. I think—I hope—this Bill will change that, because local communities will now be able to determine how best to deliver that critical service, and they will be closer, I hope, to people who need it. That is the principle behind it, and I hope the House recognises that.

The remaining discretionary elements of the social fund, as I indicated earlier, will stay in the wider benefit system, and we will introduce payments on account to replace alignment payments and the interim payments of benefit when crisis loans are abolished, a point that my hon. Friend the Minister has also made on several occasions. We will extend the provision of budgeting loans so that they are available to help people, as I said to the hon. Lady just now.

On disability living allowance, the personal independence payment and the changes to and reforms of them, I believe—and the Under-Secretary of State for Work and Pensions, my hon. Friend the Member for Basingstoke, in her consultations, has by and large obtained widespread agreement—that we need to start reforming disability living allowance. I think most people accept that the system we inherited does not deliver for some of those in genuine need, particularly given its confusing nature. Disabled people often tell us that the claims process is incredibly complicated and decisions are not consistent. We need to sort that out.

Many people—a significant number—still wrongly believe that DLA is an out-of-work benefit, so, as people said on several occasions during the consultation, "Being in receipt of DLA is a reason why you wouldn't want to be getting involved with work; you might lose your DLA." Such confusion is absurd, because that is not the case, so we need to sort the issue out, and I hope people recognise that it is important.

About 50% of those currently receiving DLA did not have to provide any additional evidence to support their original claim, and more than two thirds of current recipients have an indefinite award. That means basically that no one is ever going to see them again, yet their condition may change; it may worsen or it may get better. That is why we propose to replace DLA with a new system—the personal independence payment, or PIP. This benefit will be awarded on the basis of a more objective assessment of individual need; that assessment is vital. The money will continue to be paid to people in and out of work, and it will not be means-tested. I want to be clear that we do not intend to take away the mobility of people in residential care. As I explained earlier, this is about overlapping payments. The review will cover all that. The key thing is reform.

Annette Brooke (Mid Dorset and North Poole) (LD): There is a great deal of uncertainty about how children might be affected by the reforms to DLA. Is the Secretary of State proposing further consultation? Is there any information that he can give about future processes regarding children?

Mr Duncan Smith: We are consulting on that. However, this is going to be done later on, so we will have plenty of time to hear many more representations concerning

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children before we make any decisions. My hon. Friend the Under-Secretary is already talking to various groups about this particular issue.

Jim Shannon (Strangford) (DUP): In relation to the indefinite awards, there is already a system in Northern Ireland whereby people have periodic checks, and I am sure that Northern Ireland is no different from the rest of the United Kingdom. If there is already a system of regular checks in place, why change that?

Mr Duncan Smith: Because it does not apply to everybody; it is very patchy. The honest truth is that no award we make should say to people, as has happened too often in the past: "You are in receipt of a particular benefit and we don't want ever to see you again." If the hon. Gentleman is arguing, as I think he is, that it is right to see people, surely we should be arguing that it is right to see them all to ensure that when their condition changes, that is met. That is surely fair both to them and to the taxpayer.

Mr Tom Clarke: Despite the right hon. Gentleman's assurances, I ask him to look again clause 83(2), which says:

> "The condition is that the person is an in-patient of a hospital or similar institution, or a resident of a care home, in circumstances in which any of the costs of any qualifying services provided for the person are borne out of public or local funds by virtue of a specified enactment."

That is absolutely clear, but, with great respect, it is not what he is telling us.

Mr Duncan Smith: I am afraid that I do not agree with the right hon. Gentleman, because that is exactly what I was saying. The provisions gives us the opportunity to do just that; it does not specify what we do, but it tells us that this is what we are going to be doing. We are looking at all this because, in our view, we need to come forward with an amount that is relevant to the mobility that is necessary for people in care homes.

Mrs Anne McGuire (Stirling) (Lab): The Secretary of State is playing with words. The hon. Member for Strangford (Jim Shannon) is right. Although reference is made to an indefinite award, these awards have always been liable to review. If someone has an irrecoverable disability such as permanent blindness, what is the value in regular reviews to assess whether they are still entitled to DLA or the PIP?

Mr Duncan Smith: As I said to the hon. Member for Strangford (Jim Shannon), it is assumed straight away that this is a terribly intrusive process, but in reality what goes on is patchy. For many people, their condition may well have worsened. Do we simply want to say that we should not speak to them or see them, and that it is therefore left up to the vagaries of the system? It is not built into the system that they will be seen.

Mrs McGuire *rose—*

Mr Duncan Smith: Wait a minute. The right hon. Lady has made a point and I am trying to respond to it. As this is not built into the present system, it is left to decision making, which can be very ad hoc, about who someone sees and when they see them. All I am saying is that if we believe it is right to see people, we may then be seeing somebody whose condition has worsened, and surely that is an advantage.

Mrs McGuire *rose—*

Mr Duncan Smith: I am going to press on, because I think that I have dealt with the right hon. Lady's point. She may not agree with me, but I think that this is the right position for us to take.

Mr Liam Byrne (Birmingham, Hodge Hill) (Lab): This is an extremely important point. Is the Secretary of State saying that someone who is deaf-blind will be recalled for regular checks under the regime that he is aspiring to put in place—yes or no?

Mr Duncan Smith: The detail of how that works will be looked at during the passage of the Bill. My point is that built into this should be the requirement that it is necessary to see people. There is the question of who and what conditions we can look at specifically, but it should be right that it is bound into the system that we are going to look at people. In some cases, it may be entirely self-evident that the individual's condition has not changed and there is not much to be done; in other cases, an assessment may be required because their condition has changed quite fundamentally. I do not understand why the need to see somebody who may be in receipt of a benefit should be such an issue for people. It should not be worrying; it is part of a process. *[Interruption.]* Before right hon. and hon. Members object to that change, they need to ask themselves what they would say to those people whose conditions have changed for the worse and who are confused and never make it back to make a proper claim. This is a debate that we can and will have.

Mr Byrne *rose—*

Mr Duncan Smith: I think, with respect to the right hon. Gentleman, that I have dealt with this point, and I am going to make some progress. *[Interruption.]* Oh, go on then.

Mr Byrne: I am genuinely trying to be helpful to the Secretary of State. He says that his Bill is incomplete and that he has not been able to furnish the House with full details on how the powers that he seeks from us will be put into practice. Will he consider exempting people with certain kinds of conditions from the need to go back to go through check after check?

Mr Duncan Smith: I say to the right hon. Gentleman, despite his best intentions, that the mess that the previous Government got into over incapacity benefit— *[Interruption.]* It is all very well for Labour Members to sit in opposition and pretend that nothing went wrong under the previous Government. We are picking up an incapacity benefit system in which they left people parked, never seen by anybody for years and years. All we are putting into the Bill is the requirement that people be seen to check on their condition. That has to be in their interests, and it is not in any way a problem that it should happen. Of course, if the right hon. Gentleman wants to try to make amendments as the Bill goes through Committee, we will always be happy to debate those and listen to him. My point is simply this: it is right to see people, and wrong to leave them parked for ever on set benefits. Seeing them is more humane than inhumane, and that balance is the way that we should go.

As we introduce our new welfare system, we will have to take steps to clamp down on benefit fraud, as Opposition Members know. The system that we have is inefficient and too often ineffective. Despite significant overlaps between benefit and tax credit frauds, fraudsters are subject to different treatment in their cases as they are handled by different groups—DWP, Her Majesty's Revenue and Customs or even a local authority. The mess and overlap is enormous. The Bill introduces powers enabling a new single fraud investigation service to investigate and prosecute all cases of benefit and tax credit fraud. I hope that the House supports that process. We will ensure that anyone found committing lower-level fraud will face a tough minimum fine as an alternative to prosecution. For all other fraudsters, we will seek prosecution whenever we can. We need to ensure that fraudsters get the message that repeated criminal behaviour will not be tolerated, so those found to have committed fraud may face losing their benefit for certain periods; I have already dealt with the detail of the timings.

I simply say to the House, because this was raised in the Select Committee, that I am absolutely clear that not every problem with overpayment or difficulties with those payments was down to fraud. I fully accept that with the complexity of the system, officials made mistakes and that we were often too ready to badge people as fraudsters when in fact they were not necessarily fraudsters but caught up in a system that left them confused and perhaps not making the right or necessary level of statements to the authorities. This process is about separating those people out. A recent trial of a changed reconsideration process at Jobcentre Plus led to a fall of some 15% in the number of appeals being heard. The general view is that process will be sustainable and will work.

We are also changing child maintenance. Much of the current system is designed to drive people into acrimonious disputes during family breakdown. We should all agree that we want to take the heat out of such situations, as far as we can. That is why we are reforming the system and introducing a gateway to the statutory scheme so that parents consider making their own arrangements. We will offer parents a calculation-only service to make it easier for them to make their own arrangements. Of course, if they choose to take matters further, they can.

We are introducing measures to allow non-resident parents to pay through Maintenance Direct when the case is within a statutory scheme. That will provide further flexibility for parents. We need to keep the burden of the cost of collection under control. In 2009-10, the cost of collecting every pound was more than 40p. However, should the non-resident parent fail to pay in full or on time, we will move the case swiftly into the collection service and take enforcement action where necessary.

Sheila Gilmore: Why was it necessary to introduce provisions in the Bill before the consultation process has concluded? The consultation process on this matter is due to conclude on 3 April. Because the conditions have been published in the Bill, rather than being legislated on later, many people feel that the Government's mind is set in stone.

Mr Duncan Smith: The measures in the Bill set the framework for the details. We will obviously work through the details in time for the Committee stage. It is reasonable to do that. The Bill does not set out the detailed prescriptions, as is right. I do not agree that the process is wrong.

In conclusion, the Bill is not just about balancing budgets, although that is part of the process. It is also about transforming lives and moving people—hopefully—from the entrapment and tyranny of doubt and dependency, to some kind of opportunity, enterprise and change to their lives that they can make themselves, through assistance and support. Surely it is our duty together to ensure that no one is written off, discarded or left behind. I believe that that is what the Bill will achieve. Notwithstanding criticisms and individual issues, I hope that the House will recognise that the purpose of the Bill is positive, and that it will transform the lives that we seek to transform.

1.42 pm

Mr Liam Byrne (Birmingham, Hodge Hill) (Lab): I beg to move an amendment, to leave out from "That" to the end of the Question and add:

> "this House, whilst affirming its belief in the principle of simplifying the benefits system and good work incentives, declines to give a Second Reading to the Welfare Reform Bill because the proposal of the Universal Credit as it stands creates uncertainty for thousands of people in the United Kingdom; because the Bill fails to clarify what level of childcare support will be available for parents following the abolition of the tax credit system; because the Bill penalises savers who will be barred from the Universal Credit; because the Bill disadvantages people suffering from cancer or mental illness due to the withdrawal of contributory Employment Support Allowance; because the Bill contains no safeguards to mothers in receipt of childcare support; because it proposes to withdraw the mobility component of Disability Living Allowance from people in residential care and fails to provide sufficient safeguards for future and necessary reform; because it provides no safeguards for those losing Housing Benefit or appropriate checks on the Secretary of State's powers; because it fails to clarify how Council Tax Benefit will be incorporated in the Universal Credit system; because it fails to determine how recipients of free school meals and beneficiaries of Social Fund loans will be treated; and because the proposals act as a disincentive for the self-employed who wish to start up a business; and is strongly of the opinion that the publication of such a Bill should have been preceded by both fuller consultation and pre-legislative scrutiny of a draft Bill."

I start with a word of thanks to the Secretary of State for meeting me and my right hon. Friend the Member for East Ham (Stephen Timms) a week or so ago to discuss the Bill. As I said to him then, we genuinely want to approach the vital question of welfare reform in a spirit of national consensus. We believe that if we can forge such a consensus it will be good for our country, it will reduce the deficit and, crucially, as he said before he sat down, it will be good for the fight against poverty in this country. We have been forced to table the amendment to oppose the Bill because it fails such fundamental tests that we believe the Government should go away and bring back a better Bill that will deliver genuine and lasting welfare reform.

[Mr Liam Byrne]

We could begin to forge that national consensus by drawing the right lessons from the past 13 years. The Secretary of State presented his view, but elided one or two prominent features of the past 13 years, such as the fact that the number of people on out-of-work benefits before the depression came down by 1 million and the fact that the claimant count halved. We did not once, let alone twice, see unemployment go through the 3 million mark. We can draw important lessons for this debate from that period, the first of which is that if the Secretary of State wants welfare to work to work, we need more jobs. Labour consistently put that approach in place.

The Secretary of State said to his spring conference at the weekend—

Mr Duncan Smith: You were listening?

Mr Byrne: I not only listened carefully, but checked the transcript because I could not believe what the Secretary of State said:

"It's not the absence of jobs that's the problem."

Given that five people are chasing every vacancy in this country and that 120 Members of this House have more than 10 people chasing every vacancy in their constituencies, the absence of jobs is very much a problem at the heart of his welfare reform programme.

Mr Duncan Smith: Does the right hon. Gentleman recall that I also said that notwithstanding the period of growth and the number of jobs created, more than half the jobs created by the Government did not go to British nationals sitting on unemployment benefit?

Mr Byrne: The employment rate under the Labour Government reached a record high and there were 64 quarters of consistent economic growth. The idea that welfare to work can work when the number of jobs is not growing is frankly laughable. There is an important lesson that we must draw from the past to get welfare reform right.

Mr Oliver Heald (North East Hertfordshire) (Con) *rose—*

Mr Byrne: I want to move on to a second lesson before I give way.

When we brought laws to this House to set new obligations for people to work, we ensured that set alongside them were new opportunities to work. We also brought determination and care to the business of legislation. In the Bill, there is determined carelessness.

Mr Heald: Is the right hon. Gentleman seriously saying that at a time when it is more difficult on the jobs front we should not make the effort to help people off welfare and into work? If people are capable of working, they should get help. That is what this Bill does. Should we sit on our hands and say that all is hopeless?

Mr Byrne: That was an extraordinary contribution. Of course we believe that extra help—for example, the future jobs fund, which the hon. Gentleman's party closed down—should be given to get people back to work.

In looking at this Bill over the past few weeks, I could not but remember Lord Birkenhead's description of Baldwin's method of Government:

"He takes a leap in the dark, looks around, and takes another."

That is the approach that this ramshackle Bill proposes for millions of people in our country—a leap in the dark. I hope that we can begin to sort out, as is appropriate on Second Reading, where the Government have got their principles right—some of their principles are right—and where they have got them wrong. The Secretary of State says he wants to set a new course. The problem is that we are not quite sure where it will lead.

Mr Slaughter: Did my right hon. Friend notice that almost every time the Secretary of State was asked a question on free school meals, housing benefit or disability living allowance, his answer was, "I'll get back to you." There are no answers to those points. I have here a few of the letters from my worried constituents, just on disability living allowance. Thousands or millions of people are worried that they will not be able to make ends meet, and the Secretary of State has no answers.

Mr Byrne: The purpose of this House, when it gives new powers to the Executive, is to have at least some idea of what they will do with them. I hope that a bit of enlightenment will come from this debate, but we have not heard much yet.

Charlie Elphicke: I take issue with the right hon. Gentleman's statement that the Bill is a leap in the dark. We know that 5 million people of working age could work but do not. We know from December's labour market report by the Office for National Statistics that 1.2 million of the people who took the jobs that were created came from overseas. We need to get our 5 million countrymen who are out of work back into work. Surely that is the priority.

Mr Byrne: Will the hon. Gentleman intervene again and tell me how many of his constituents are chasing each vacancy?

Charlie Elphicke: Of course there are quite a few people chasing each vacancy. As the right hon. Gentleman knows, the issue is not with this Government but with the mess left by the previous Government. This Government are trying to grow the economy and make Britain great again.

Mr Byrne: I am grateful for that observation. I say gently that, with five people chasing every job in the economy, if we are serious about getting people back into work—I think that the Government do want to do the right thing—we have to do more to create more jobs. We can pass laws and put in place extra help for unemployed people, but there must also be an economic policy that creates more jobs to absorb the very deep public sector job cuts that we know are coming down the line.

Geraint Davies: Does my right hon. Friend accept that the deficit was the price paid to avoid a depression caused by the bankers, and that the best way to get rid of it is to focus on economic growth, make bankers pay their fair share and make sensible savings over time, not to make the poorest pay the most while the richest are lavished with massive bonuses, which is what the Bill is about?

Mr Byrne: I will avoid getting into an extended debate about macro-economic policy, although I would happily discuss it all afternoon, but my hon. Friend is right. Under our approach, despite the fact that we faced the worst global crash since the 1930s, unemployment did not go beyond 3 million, as it did not once but twice under the Conservative Administration.

Mr Evennett: We are listening to the right hon. Gentleman with great interest, but is he not ashamed that although his party was in power for 13 years it failed to make work pay and that the UK now has one of the EU's highest rates of children living in workless households? Is that not a disgrace?

Mr Byrne: I would do no more than encourage the hon. Gentleman to look at the analysis of his noble Friend Lord Freud, who examined our work to get people back to work and remarked on how fast the number of people on out-of-work benefits had fallen. He examined the number of children lifted out of poverty and said that our record was truly remarkable.

Mr Stewart Jackson: I fear that the right hon. Gentleman is going through the motions. He was a gifted and talented Chief Secretary to the Treasury, and I do not think he truly believes what he is saying. Will he at least concede that people who are no friends of the Conservative party, such as the Scottish TUC, have said that worklessness was exacerbated by the decision to import millions of low-skilled, low-wage workers from eastern Europe, which drove down wages and conditions and made it much more difficult for indigenous British workers to secure jobs and get off welfare dependency?

Mr Byrne: I do not think I should veer into a debate about immigration this afternoon, because you, Mr Deputy Speaker, would quickly call me to order. I would, however, make the point that, after consistent economic growth, employment went up, the number of people on out-of-work benefits came down and the number of people lifted out of poverty, including pensioners and children, was at a record high. The Government can learn something from that record.

Of course, that has to be put alongside the right legislation to encourage people back to work, which is where I fear the Bill will fall short, for a very simple reason. It fails the basic tests of whether it fosters ambition and whether it reinforces and consolidates our obligations to each other. Fostering ambition and nurturing compassion are the basic tests of welfare reform, and I am afraid the Bill fails both.

John McDonnell (Hayes and Harlington) (Lab): I oppose the Bill, and given any opportunity I will vote against it.

As my hon. Friend the Member for Hammersmith (Mr Slaughter) said, the Government's response to every representation that has been made by external organisations or today in the House has been, "These matters will be dealt with in regulations". Attached to the Bill is a quantity of regulations that we have not seen before with a Bill of such stature. May I suggest that my right hon. Friend link up with the Secretary of State to discuss the procedure to be followed after Committee and before Report, so that the bulk of the regulations are published in time for us and others to consider them before our final debates on the Bill?

Mr Byrne: That is an extremely sensible proposal, and perhaps the Minister of State, the right hon. Member for Epsom and Ewell (Chris Grayling), will reflect on it in his winding-up speech. It is important for the other place to be involved in discussions, too, to ensure that the Bill leaves this House in better shape.

Mr David Lammy (Tottenham) (Lab): May I align myself with what my hon. Friend the Member for Hayes and Harlington (John McDonnell) just said?

Will my right hon. Friend put on record the fact that words that we used to use in the Chamber—equality and non-discrimination—must exist for people in the work force with disabilities and from ethnic minorities at a time when there are few vacancies? I think in particular of Haringey Phoenix Group, which represents blind people, whose representatives came to see me in my constituency.

Mr Byrne: That is a challenge that I know well, representing the constituency that I do. I will say a little more later about the challenges and the reforms that are needed on disability living allowance.

There are some principles in the Bill that we support. The principle of universal credit builds on the changes that we made to ensure that work pays, and we welcome some of the proposed reforms to the claimant commitment. We certainly welcome tougher and tougher measures on fraud, but the basic truth, which many hon. Members have rehearsed this afternoon, is that the Bill is not a pamphlet. It is not about theory; it is about practice. It is therefore important that we consider whether it will foster ambition and strengthen compassion in a number of important areas. I start with child care, with which the Secretary of State started.

For millions of families in this country, and especially for women, the truth is that extra help with child care is needed if they are to get back to work. Many families in our country receiving a combination of housing benefit, council tax benefit and child tax credit have up to 97% of their child care costs supported. The Secretary of State said today that he wants that budget to be frozen, which at least shows some progress, but he also confirmed that the number of people who will have a claim on that budget will grow. That of course means that some people will get less help with their child care than before. What we have not learned this afternoon is what that will really mean for people.

My hon. Friend the Member for Stockton North (Alex Cunningham) asked the Secretary of State a very straight question on 9 February: had he decided which child care option he would propose? "Not exactly, no," said the Secretary of State.

> "Can you give us a clue?",

my hon. Friend persisted, gamely.

> "I will give you a clue when we are a bit closer to the finalised detail",

[Mr Byrne]

said the Secretary of State. Now, the right hon. Gentleman is asking for powers to end child tax credit. I am not sure how much more finality one could want, but there are still no answers other than the comment that the Government are still consulting. We hear rumours that for some people the cover for their child care costs will be reduced to 70%—a gigantic new bill for many families that could prevent people from getting back to work. Helen Dent, chief executive of Family Action, has said:

> "The possible reduction in help with childcare costs could mean that many parents might end up being worse off under universal credit".

I say today, on behalf of the 486,000 families who get child care help from the Government, that they need to know more.

Glenda Jackson (Hampstead and Kilburn) (Lab): I absolutely agree with my right hon. Friend, but is there not a further black hole in the Government's proposals, which is the failure to acknowledge regional variations? The cost of child care in London, for example, is massively higher than it might be in another metropolitan area of the country. The Bill reflects that lack of definition and flexibility and a complete ignoring of regional variations.

Mr Byrne: My hon. Friend is right, and I am afraid it gets worse. The Secretary of State has made much of his effort to reduce the disincentive to work, which we genuinely welcome, but, like me, he will have noticed that earnings are now growing at about half the rate of prices. He will also doubtless have noticed that once people begin to earn £43,400, they will lose their child benefit, which is worth several thousand pounds a year. That all puts pressure on second earners to go out to work, so the question must therefore be what marginal deduction rates will confront those second earners. The answer is not easy to find, but it is buried away in paragraph 69 of the impact assessment. Having read it, I am not surprised that the Government did not put it up in spotlights, because it states that twice as many earners will see their marginal deduction rates go up than will see them go down. Who is most likely to be hit? It will be couples with children, whose median deduction rates will go up.

That is what we do know, but what is worse is what we do not know. We do not know what will happen to those entitled to free school meals; what will happen to free prescriptions; which working families will be exempt from the benefits cap; or how unearned income such as widow's benefit or child maintenance will be treated. We do not know about sick pay or maternity pay, and we have no idea how on earth council tax benefit will work. As the House knows, the council tax benefit system is going local, but the rules on universal credit are to remain national. The Secretary of State for Communities and Local Government, who likes to be straightforward with the House, boldly asserted on 17 February that he was in charge of drawing up the new rules on council tax benefit, but surely the final word must come from the Work and Pensions Secretary. Once again, there is total confusion. The questions for families are stacking up, and there are no answers to any of them. That is the story for families.

Grahame M. Morris (Easington) (Lab): Would my right hon. Friend care to comment on reports in today's papers that representatives of 30 cancer charities have written to the Secretary of State expressing concern about people who are recovering from cancer? Specifically, they are likely to lose their employment and support allowance after a year, but 75% of them or not in a position to return to work after a year.

Mr Byrne: That is deeply concerning, and I will dwell on it in a moment.

George Hollingbery (Meon Valley) (Con): The right hon. Gentleman makes a persuasive case on the detail—clearly a lot of it remains to be found, but this is a confusing and complex matter. Will he admit that the current system is unsustainably complicated? There are 8,600 pages of guidance on benefits administration at the DWP and 2,000 pages for local government, and there are 30 different benefits to administer. Change is required. If we have a framework and consult widely, we will have a better system.

Mr Byrne: The Opposition want welfare reform that sticks. When so many details are unclear, the danger is that the Bill will unravel progressively as it comes into effect.

We have discussed whether the Bill passes the test of fostering ambition for families and have shown that a great number of questions remain unanswered. Let us now consider savers. All hon. Members want to nurture the ambition to save. The amount that people must save for a deposit for a house is heaven knows how much, but now that tuition fees have been trebled, more families have to save harder to get their young people into college. One might have thought, therefore, that the Government would provide more incentives to foster the ambition to save, but the noble Lord Freud told the House of Lords that

> "the £16,000 savings threshold would extend to all households eligible for universal credit."—[*Official Report, House of Lords,* 15 December 2010; Vol. 723, c. WA204.]

There we have it. The Government are so keen to foster the ambition to save that once someone has £16,000 in the bank—the price of two and a half years at university—their tax and in-work benefits are taken away.

Mr Duncan Smith: Will the right hon. Gentleman give way?

Mr Byrne: I will give way in a moment, but first I want to tell the House what James Browne of the Institute for Fiscal Studies said:

> "This is a much harsher treatment of capital than we have in the tax credit system."

Will the Secretary of State tell us how that measure rewards savers?

Mr Duncan Smith: May I remind the right hon. Gentleman that his system became completely absurd, because it allowed people with huge savings and income to claim benefits? The previous Government's system supported not the bottom two or three deciles but people further up the income scale. That is one reason so few people from the bottom income deciles got back into work, and why poverty was so high.

Mr Byrne: Does the Secretary of State accept that, on current figures, taking away the in-work benefits of people who have £16,000 in the bank would mean 400,000 families with children losing benefits? Surely that is not a good way of fostering the ambition to save.

Mr Duncan Smith: The right hon. Gentleman's figures are incorrect. When universal credit comes in, the figure is more than likely to be no higher than about 100,000—*[Interruption.]* Wait a minute. I know where the right hon. Gentleman gets his figures from. Those 100,000, of course, will be transitionally protected, so they will not lose.

Mr Byrne: The Secretary of State can say that only because he is taking tax credits from so many families over the next two or three years. He has not given a guarantee for future savers. What will happen to their incentive to save under his new system?

Mr Duncan Smith: Will the right hon. Gentleman give way, because he needs to answer my question?

Mr Byrne: The Secretary of State needs to answer my question. The Minister of State told my right hon. Friend the Member for East Ham that getting rid of the savings cap would cost only £70 million. Will the Secretary of State therefore look again? He must recognise, as I do, that he is currently not fostering the ambition to save for hundreds of thousands of people.

Mr Duncan Smith: I completely disagree with the right hon. Gentleman on that, but I want to challenge him to give an answer to taxpayers, who ask whether the welfare system is about supporting people who are most in need, or whether it is about casting money wider and wider to people who can support themselves in particular periods. How much more money does he really want to spend?

Mr Byrne: I am afraid that the Secretary of State has still not provided an answer to my question—he still cannot tell us how he will encourage people to save. Tuition fees have trebled, and people in my constituency are asking, "How on earth do we encourage our young people to go to college, and how on earth can we afford to get our young people into university?"—*[Interruption.]* I know the Secretary of State does not have those challenges to face, but thousands of people in our constituencies need to save to get their kids to university. The regime that he is proposing will strip in-work benefits from them, kicking the ladder away from aspiration in our country.

Angie Bray (Ealing Central and Acton) (Con): Surely the right hon. Gentleman must recognise that tuition fees are not payable until such time as people come out of university and earn a salary of £21,000 or more. His argument is a red herring.

Mr Byrne: I do not know what the hon. Lady's constituents are saying to her, but many in my constituency live in fear of debt—they want not to burden their children with debt, but for them to get a first-class education, so that they can contribute to the future of our country.

The wider point that is emerging is that we do not know enough about how the Bill affects families and savers, but there is also a question over how it will affect the self-employed. Over the last few weeks, we have heard a great deal of pitch-rolling from the Chancellor and the Prime Minister, who are now worried about the damage that their last Budget did to our economy. All of us hope that the Chancellor can upgrade his growth forecast at the forthcoming Budget after doing so well over the last year, and the Prime Minister is now promising that his next Budget will be the most pro-growth Budget in the universe. He told his spring conference:

> "At its beating heart this is still a party of start-ups, go-getters, risk-takers…We're the party of practical men and women, people with a passion and a mission to build a business and see it grow…We are the party of enterprise."

No doubt, then, the Bill is part of that plan—no doubt the Bill will make it simpler, easier and more encouraging for people in this country to start a business and to make that entrepreneurial leap. Well, my hon. Friend the Member for Stretford and Urmston (Kate Green) asked the Secretary of State about the self-employed on 9 February. To be fair to him, I think he recognises the problem. Surveying the position of the self-employed, he told her that

> "we are conscious that that area is the slight blip in the system."

This is what the blips in the system at the Federation of Small Businesses told me yesterday. Mike Cherry, the FSB national policy chairman, said:

> "We are concerned that the Government has assumed that entrepreneurs with a new business will be paying themselves…and will therefore lose all benefits under the Universal Credit system…A measure such as this simply creates yet another barrier towards self-employment which is particularly unhelpful at a time when we are relying on the small business sector to grow the economy".

So much for the party of enterprise.

Mr Duncan Smith *rose*—

Rehman Chishti (Gillingham and Rainham) (Con) *rose*—

Mr Byrne: I will give way to the hon. Gentleman.

Rehman Chishti: Considering that the right hon. Gentleman agrees that it is absolutely right and proper to support families, does he concede that the Labour party got that wrong because couples were paid to live apart?

Mr Byrne: I do not know whether the hon. Gentleman was in the Chamber when my hon. Friend the Member for Swansea West (Geraint Davies) spoke of the disincentives for families to stay together under the new regime, but if he wants to pretend that the Bill ends the couple penalty in the welfare system once and for all, perfectly and immaculately, I look forward to him setting out his argument.

Mr Duncan Smith *rose*—

Mr Byrne: I think the Secretary of State wanted to say a word about the encouragement that he will provide for small businesses.

Mr Duncan Smith: The right hon. Gentleman raises the issue of the self-employed. I made this point to him privately and I will now make it publicly: they will fall

[Mr Duncan Smith]

within the universal credit. The point that I was referring to was how complicated and counter-intuitive the current systems have become, as he knows very well. We are seeking the best way to ensure that the right reporting structures are in place for those people, who will be inside the universal credit.

Mr Byrne: Perhaps the Secretary of State can tell the House this afternoon when those proposals will be ready for us to look at. *[Interruption.]* "In time for Committee," he says from a sedentary position. We all look forward to seeing that.

It is now clear that for the self-employed, savers and families, this Bill at the very best poses more questions than it answers. The other question that the House has to ask the Secretary of State this afternoon is not about how we foster ambition, but about how we nurture compassion. How do we strengthen and reinforce our obligations to each other? That is something that we will hear a lot more about, when we talk about the reform of disability living allowance. What we know about the detailed reforms is not good. I welcome what the Secretary of State has said about the mobility component of DLA. I think that he has confirmed that he is withdrawing the proposal to cut £135 million from the mobility component of DLA. If that is true, it is welcome, because we are talking about a measure that the chief executive of Scope pronounced as "callous" and an

> "assault on the most vulnerable".

The rationale presented by the Minister of State has this morning been taken apart by 39 charities. I am afraid that I have to agree with the words of those campaigners who have said that

> "many of these people"

—those in residential care—

> "will be prevented from enjoying the freedom of movement that is taken for granted by people who are not disabled."

Those are, of course, the words of the motion at the Liberal Democrats' spring conference this weekend. I hope that together we may be able to prevail and get this measure dead and buried.

Mr Tom Clarke: On the crucial issue of the mobility component for people in residential accommodation, when my right hon. Friend put his question to the Secretary of State, I understood the Minister of State to be indicating dissent. Will my right hon. Friend give the Minister another opportunity to clarify this important issue?

Mr Byrne: I am grateful for my right hon. Friend's suggestion. The Secretary of State has £135 million scored against the saving. I now invite him to intervene and say whether that saving is off the table, or whether the measure is going forward.

Mr Duncan Smith: The right hon. Gentleman knows very well, because we had this conversation privately. As I assured him, and as I assure him now, what we have done is roll the proposal into the personal independence plan. We are reviewing what is necessary. I said to him then, as I have said to the right hon. Member for Coatbridge, Chryston and Bellshill (Mr Clarke), that what we are looking for is the amount necessary for people who are in residential care. That is the commitment that I have given. That is the exact fact, that is how it remains, and all other things will fit around that.

Mr Byrne: The argument that the Secretary of State has rehearsed this afternoon is that the Bill will give him the flexibility either to withdraw or to reform the proposal, but what he has not set out for the House is whether he will reduce the savings target of £135 million that has been scored by the Chancellor against the measure.

Mr Duncan Smith: I have just given an answer.

Mr Byrne: I therefore look forward to the Government reflecting on this debate and perhaps giving slightly more clarity when the Minister winds up.

More alarming for many people is the lack of any safeguards on what the Government have in mind for the future of DLA, especially as we know that the Chancellor is determined to take £1 billion off the bill and then ask what kind of reform will be necessary to deliver his sums. Not for him the subtleties of asking what kind of reform might make sense. This is what the Multiple Sclerosis Society had to say about the measure: "We share serious concerns"—*[Interruption.]* It is incredible that when such organisations present their arguments, those on the Government Front Bench would rather talk among themselves than listen to what they have to say. This is what the Multiple Sclerosis Society said:

> "We share serious concerns with a large number of other disability organisations that the Bill in its current form could lead to those most in need losing out on the support they rely on".

The Secretary of State's own equality assessment says that 13% of disabled households could be entitled to less help under the new system. He has simply not provided assurances on that point. When my hon. Friend the Member for Stretford and Urmston asked him about that, he said:

> "I am sorry to be cagey about this. It is simply because this will become very clear when we publish the Bill."

Well, here is the Bill, but where are the answers to the question?

Mr Duncan Smith: I am interested in what the right hon. Gentleman is saying. He is going on about the review and the issues around disability living allowance, but I notice that the Opposition make no mention of that in their amendment. I notice also that both he and his leader have said that they support the reforms to disability living allowance, so perhaps he would like to make it clear: is he in support of them or not?

Mr Byrne: Everybody is in support of reforming disability living allowance, but we have not said that £1 billion should come off the bill and that we should then work out what kind of reform would deliver those numbers. The Secretary of State must realise that this is why millions of people up and down the country are so alarmed about the reform proposals being put in place. Now he—or, indeed, his Minister—has a chance to say that he will listen to campaign groups that are worried about the proposals, that he will listen to amendments and that he will try to put in place safeguards to ensure that DLA reform is done in the right way. Yes, we should reform DLA, but we should not abolish it.

Charlie Elphicke: Would not one key reform be to ensure that those claiming the allowance are seen, to check that they are still in need of it? Some 140,000 people have not been seen by the Department for Work and Pensions in the last 20 years, going back to 1992. Surely that is unacceptable.

Mr Byrne: There is a strong case for reform of DLA. The lobby groups agree with that, as do we, but we do not agree with the way the Government have approached the issue. First, we had an announcement by the Chancellor of the Exchequer that DLA would be cut £1 billion, then we got a consultation, which has only just finished, and while all that was happening a Bill was published with no detail or safeguards dealing with how that reform would be conducted. The Secretary of State must realise that that is a serious concern for millions of people up and down this country.

That alarm is simply magnified by the proposals to set a one-year limit for those who can receive contributory employment and support allowance. I, too, think that there is a case for time limits—there is a good case for considering two years, for example—but this morning 30 cancer charities have written to the Secretary of State urging him to think again on that measure. His own Department's statistics, they say, show that 75% of cancer patients still need ESA after a year. Their message is blunt:

> "this proposal, rather than creating an incentive to work, will lead to many cancer patients losing their ESA simply because they have not recovered quickly enough."

If this indifference is not addressed in Committee, the Secretary of State will have single-handedly dismantled any notion that compassionate conservatism is truly a reality. This simply cannot be right, and it needs to be looked at again.

Mark Durkan (Foyle) (SDLP): I support the crucial points that my right hon. Friend is making, but has he noted that the impact assessment on the proposed changes to DLA makes no mention of the impact on carers? There clearly will be a consequential impact on carers, depending on what benefits the people for whom they care receive and which rates of the daily living component or the mobility component will entitle carers to claim carers allowances. There is no mention of that whatever. Is my right hon. Friend aware of whether the Government have even made an estimate of the number of carers affected, and if so, why it has not been published?

Mr Byrne: I am not aware of those estimates, and I hope that we will have a long and important debate about carers this afternoon and in Committee.

Several hon. Members *rose—*

Mr Byrne: I will give way in a moment.

My final point is about the small question of whether the Bill will actually save any money in and of itself. The Bill would save money if it got people back to work, but it will not create a single job. By the time we get to Royal Assent, there will still be five people chasing every job in this country, and for 120 of us, there will still be 10 people chasing every job in our constituencies. The only way that this Government are going to save money through welfare reform is by cutting the benefits of working families. Indeed, once we take out the shift to a lower form of uprating, we see that half the benefit cuts hit working families, starting with 10 raids on the family budget, taking out £1.5 billion from this April. Two thirds of that bill would not be necessary if unemployment were not as high—in fact, if it where down it would have been under Labour. Nowhere is that muddle about whether the Bill saves money more confusing than when it comes to the housing measures.

Several hon. Members *rose—*

Mr Byrne: I will give way in a moment, but I want to make this point first.

Clause 68 puts into the Secretary of State's hands unprecedented powers to do whatever he wants with people's rents. Normally, we would object to that kind of sweeping power because we would not know what a Minister was going to do with it. This time, however, we object because we know exactly what the Secretary of State is going to do. He has proposed a housing benefit cap, which he says will save money, but the Mayor of London has now said that the measure will cost more money because homelessness costs will rocket.

The Secretary of State says that his measures will bring rents down, but the Secretary of State for Communities and Local Government is putting rents up in the social housing sector to 80% of market value. The House of Commons Library says that that could cost up to £200 million. One half of the Conservative party does not know what the other half is doing, and taxpayers are picking up the tab. In fact, it was left to the Pensions Minister to tell the House on 3 February that, on his estimate, the housing bill would go up by £1 billion over the course of this Parliament. So how is this Bill going to save money on housing benefit?

Alison Seabeck: Before I ask my question, I need to draw the House's attention to the entry in the Register of Members' Financial Interests for my right hon. Friend the Member for Greenwich and Woolwich (Mr Raynsford), with whom I have an indirect interest: he is my partner. Now I can get on with my question.

My right hon. Friend the Member for Birmingham, Hodge Hill (Mr Byrne) has mentioned the increase in costs resulting from the impact of rents going up to 80% of market value. The Localism Bill contains measures designed to put homeless people straight into the private rented sector. That will put further pressure on that sector, which is already being squeezed, and push rents up. There is no evidence that rents will come down. Does he agree that the Government's left hand does not know what the right hand is doing?

Mr Byrne: That is the evidence from the Mayor of London and the Secretary of State for Communities and Local Government.

Sajid Javid (Bromsgrove) (Con): At the last election, the Labour party manifesto contained a pledge to reform housing benefit to ensure that the people claiming it would not live in the kind of homes that ordinary working families could not afford. We believe in that policy. Is the right hon. Gentleman now renouncing it?

Mr Byrne: Not at all. The point that we are making is about the way in which this reform has been adopted

[Mr Byrne]

and steamrollered through, and about the lack of consultation between the Department for Communities and Local Government and the Department for Work and Pensions. This has been so mismanaged that many people—the Mayor of London, Shelter, the Secretary of State for Communities and Local Government—are now saying that the cost of housing benefit could go up. Surely that is not the DWP's intention. We need a bit more detail about a policy that might actually deliver the necessary savings on housing benefit.

Angie Bray: I was recently talking to some constituents in Acton, and I discovered that these proposals for changes to housing benefit are among the most popular proposals that the Government have introduced. My constituents like the idea that it pays to work, and that those on benefit will not be able to afford better houses than those in low-paid work can afford. They also wonder why it has taken so long for any Government to introduce a measure that is simply fair, regardless of the money it might save. They wonder why the Labour Government never did anything about this when they had the chance to do so.

Mr Byrne: I am sure that the hon. Lady will have set out, with equal eloquence, the view of the Mayor of London that the measures might actually cost more taxpayers' money than they will save.

Jim Shannon: Will the right hon. Gentleman give way?

Mr Byrne: I will take a couple more interventions in a moment.

I want to put on record my thanks to the scores of charities and campaign groups that have helped to brief us and offered to work with us to draw up amendments to improve the Bill in Committee. I am even more grateful to them for their commitment to mobilise their millions of members to help the Government understand why the Bill needs urgent reform. If the Government persist with the illusion that the Bill is immaculate, perfect and beyond improvement, and if they decline to hear the voices of those millions of members of charities and campaign groups that have worked with us, we will have no alternative but to vote against it on Third Reading.

In today's debate, we will hear a lot of statistics; we will also hear about this record and that proposal. I just hope that the House will remember that behind every statistic is a person—one of our constituents. They are people like my constituent, Colin Hulme, who wrote to me at the end of last week. Mr Hulme suffers from Chiari malformation, a condition that affects about one in 1,000 people. It hit him in 2007, and he had to give up his job as an IT consultant and move home. He is a very brave man. He told me that his disability living allowance means that

> "at least I can pay my household bills, my kids will have food on the table and clothes for school. More importantly, it means my wife can provide the care that I need."

His view is that the Bill is about

> "cutting costs and shifting responsibilities rather than improving the lives of sick and disabled people."

It is a worry for him, and I think that the whole House will acknowledge that that worry is shared by millions of people up and down the country today.

My real point to the Secretary of State in this debate about principles is this: in the debate ahead, let us together put aside the politics of fear and division, and let us have the politics of hope—people's hope for a job, the hope that they can get the help that they need, and the hope that they can get on and move up in work. That is what welfare reform should be about. That is the instinct expressed in our amendment, and I hope that the House will back it this afternoon.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. A lot of Members wish to participate in the debate, and we have introduced a six-minute time limit on Back-Bench speeches, with the usual amount of injury time for up to two interventions. Clearly, however, Members do not have to take interventions, and if they do not, that will allow more people to speak.

2.26 pm

Mr Oliver Heald (North East Hertfordshire) (Con): I welcome this opportunity to support the Bill, which will bring about probably the biggest change in the welfare state for 60 years. I disagree with the right hon. Member for Birmingham, Hodge Hill (Mr Byrne) on certain points. The Bill is about helping people into work and establishing big principles for the future, and it really is not good enough to make a speech saying, "We want to help people into work," but then to deny the means to do that. He is saying that the Bill should not go ahead. He is saying that the details—which should be debated, I agree with him on that—are sufficient to allow him to deny this major Bill a Second Reading. Well, he is wrong about that. He has issues that he rightly wants to discuss in Committee, and he has the support of numerous groups throughout the country that want those points of detail to be considered. Yes, he is right about that, but, my goodness, he is wrong to say that the Bill, which does such important things, should not go ahead.

Let us consider the idea of the universal credit. We will finally be able to say that a person will always be better off in work. That is a big principle; that is important. I venture to suggest that the right hon. Gentleman agrees with that in his heart of hearts, yet he is saying that we should not introduce those measures. I notice that he is not prepared to listen to this—

Mr Byrne: I am listening.

Mr Heald: At the moment, it takes 45 minutes in a jobcentre to work out whether someone will be better off in work or not. The Bill will change that at a stroke. People will know that they will always be better off in work. That is an important principle.

My second point involves helping people to get into work, giving them support through the "black box" approach. This is something that Labour agrees with; the right hon. Gentleman actually trialled it when he was in government, and it worked. It is recognised internationally—

Mr Byrne: It is not in the Bill.

Mr Heald: Yes, it is in the Bill. The sanctions are about making the Work programme work. It will not work without sanctions and without the measures in the Bill. To deny the Work programme to people all over the country who should have help into work would be a big mistake. The right hon. Gentleman should support the principle behind the Bill.

My third point is that it is essential to make proper training available so that people can avail themselves of those training opportunities and then get the jobs that are available in this country. There are 500,000 jobs advertised in the jobcentres every month, but many of them are jobs for which people do not have the necessary skills. To introduce a system, through the "black box", that will enable people to acquire those skills and get into those jobs is something good, and it is something that the right hon. Gentleman should support.

As for whether jobs are available, when the right hon. Gentleman's party were in government many jobs were created, as he said, but the problem is that many of them went to people who were not from this country and had not been languishing on benefits for years. Members of the Select Committee visited Burnley earlier this week and we met people who were being helped to move from benefits into work. We found that many of them did not like the work capability assessments, so I hope that it will be possible for the Minister of State, Department for Work and Pensions, my right hon. Friend the Member for Epsom and Ewell (Chris Grayling) to make the Harrington changes before that scheme is rolled out nationally. I see him nodding. Some people there had not worked for 10 years, and said that they were pleased to have the opportunity to be trained and to look for a job.

Burnley is not an area where there are as many jobs as there are in Hertfordshire, which I represent, but even in areas where there are not many jobs, it is wrong to say to someone who could work, "No, we're not going to do anything about it; we're not going to train you; we're not going to give you those chances; we're not going to provide the Work programme." By denying this Bill a Second Reading, the right hon. Member for Birmingham, Hodge Hill would be depriving people of all those things.

Let us take some of the other issues that the right hon. Gentleman raised, such as child care. The Secretary of State has said from the Dispatch Box that there will be child care; the black box works only if child care is available. Support for single parents to get into work is necessary, but it is to be provided. If the right hon. Gentleman wants to talk about the details in Committee, we would all fully understand that. I believe that it is a mistake for him to try to deny this Bill a Second Reading.

Time is whizzing by, but I would like to make two further points. Child support is an important issue in the Bill, and it has been troubling for a long time. If single parents are to get into work, it is important for them to be able to rely on child support payments coming in. America has a system whereby, once the figure is set, it is automatically deducted from the salary of the parent who has to pay it. In this country we have always denied that possibility, and said that we should not do that. However, if we are to say to many lone parents, "Look, we really want you to go to work"—and we shall be saying that to a lot more lone parents—we must find ways of ensuring that the essential payments from the other parent come through.

The Minister of State, Department for Work and Pensions (Chris Grayling): This will provide my hon. Friend with an extra minute to conclude his remarks. We very much welcome the work of the Select Committee, and I assure him that the points that he and the Select Committee raise will help us to shape some of the outstanding issues and the Committee debates that lie ahead.

Mr Heald: I thank my right hon. Friend for that. One encouraging development is that many of the proposals in the recent Select Committee report on housing benefit change—proposals for improvements such as monitoring the changes as they are implemented—were accepted when the Government responded to it. It is particularly welcome that the original proposal for people to lose 10% of their benefits after 12 months has been abandoned. I see that the Chairman of the Select Committee is in her place, and she may catch the Deputy Speaker's eye in a moment; we are all pleased that the Committee has been able to make a difference in that way.

Finally, let me say a few words about how the contracts for the Work programme are dealt with. It is important to have proper implementation.

Charlie Elphicke: With housing benefit rising 45% in recent years, does my hon. Friend agree that it is a matter for serious concern?

Mr Heald: Yes, absolutely right. It is important to bear down on that through the sort of changes now proposed.

To return to the Work programme contracts, it is important to monitor carefully the performance of the contractors and sub-contractors to ensure that there is an equal level across the country. The Select Committee looked at the issue in a previous report on a pilot scheme in Glasgow. We felt that there were differences between the performance of the different contractors. Clearly, if there are weaknesses, it is important to address them, for the sake of all the people who want to find work. I am grateful for the opportunity to support this great Bill.

2.35 pm

Dame Anne Begg (Aberdeen South) (Lab): This is a huge Bill with a huge amount in it, so it is impossible to cover it all in a six-minute speech. I always call my Select Committee colleagues my hon. Friends, and I shall point out that our report on housing benefit, which my hon. Friend the Member for North East Hertfordshire (Mr Heald) mentioned, will be debated in Westminster Hall tomorrow afternoon. I hope that many Members will come along so that we can go into greater detail than we can today. Other elements of the Bill include the abolition of the social fund, and the moving of responsibility for council tax benefit to local authorities and how that cuts across the universal benefit principle and the sanctions regime; I shall not have time to go into that, but perhaps others will.

The biggest fundamental change to the welfare system in the Bill is, of course, the proposal for the introduction of a universal credit. As has already been said, and as confirmed in almost all the briefing papers I have received, the idea of a universal credit has been accepted in principle. I have always said, however, that the devil is

[Dame Anne Begg]

in the detail. That is where the problem lies for Labour Members, who are well aware that we do not yet have much of the detail.

Despite what the Secretary of State said today, we still do not have any detail on how child care will be incorporated into the universal credit. We know that housing costs will be included, but we do not know how they will be dealt with. We are not sure about the disability premium or about the issues that my right hon. Friend the Member for Birmingham, Hodge Hill (Mr Byrne) raised about passported benefits, free school meals and all the other aspects of the present benefit system that put significant amounts of money into the hands of those who have the least. That often includes people in work, but low-paid work. As I say, we do not yet know from the Bill how all those matters will be dealt with; we will not know until the regulations come out.

We know that carer's allowance will be outside the universal credit, but we do not know how kinship carers will be treated. Changes are proposed to the disability living allowance, which is the key benefit that allows carers to access their benefits, and a lot of questions remain to be answered.

Furthermore, we still do not know what the marginal deduction rates will be. We know that 65p in the pound is proposed, but when we look in detail at someone in low-paid work paying income tax, we find that the marginal deduction rate will go up—and in connection with child care costs, it could go up by more than 100%. Child care costs will, in any case, go up, simply because more people will need child care if the Government proceed with their proposals to start imposing obligations on lone parents to start looking for work when their youngest child reaches five. Extra expenses are therefore associated with the Bill, but we do not know how they are to be dealt with.

We do not yet know how some of the claims will be fulfilled—whether, for example, the Bill will succeed in making work pay. The previous Government did make work pay in almost every case—apart from where there were high housing costs and many children. What we did not do was make work pay enough.

Harriett Baldwin (West Worcestershire) (Con): I thank the hon. Lady, who is such a marvellous Chair of the Select Committee, for giving way. Does she agree that it is disappointing that the Labour party is not supporting Second Reading of this Bill, because the points that she rightly raises are the sort of detailed issues that could addressed in Committee?

Dame Anne Begg: I hope that they will be addressed in Committee, but the problem is that there are still too many unknowns about the Bill. That makes it impossible at this stage to give that kind of support to it. That is the danger.

There are reasons for suspicion, particularly among disabled people, about the Bill's intentions. The Bill was published two days before the consultation on what amounts to the abolition of disability living allowance was announced. Again, we do not know the details. I do not understand why the Government need to change the name of the disability living allowance. Yes, there might be a case for reform, but this is a wholesale replacement. That is what worries people, particularly when the evidence suggests that it is going to be based heavily on the test.

Discussion this afternoon has been about the test for disability living allowance—but our experience is of the work capability assessment. We know that that is discredited and not fit for purpose, and disabled people fear that that is what is going to be imposed. As soon as the Government announce a proposal to change or reform a measure in order to make a 20% budget saving, suspicions enter people's minds. Given the Government's proposal to remove the mobility element of disability living allowance from those in residential homes, it is no wonder that some people are now frightened.

I realise that most of the time allotted to me has gone, but I want to say something about the proposal to withdraw contributory employment and support allowance after only one year. I believe that the Government should reconsider. I have always said that it is easy to reduce welfare bills: all that is necessary is to stop giving people any money—and that is what the proposed withdrawal of the allowance would do.

Glenda Jackson: My hon. Friend, and other members of the Work and Pensions Committee, will be aware that one of the most shocking pieces of evidence presented to the Committee was that under the present system, in which people are tested by Atos, it is not unusual for an Atos centre to be completely inaccessible to the disabled. Furthermore, we have been hearing for some time that when people appeal against the denial of benefits, whatever those benefits may be, a staggering number of appeals are upheld. What is particularly frightening is the fact that there may be a long gap between refusal of an application and the upholding of an appeal—a problem that will inevitably increase in the absence of the detailed provisions that the Bill so markedly lacks.

Dame Anne Begg: Indeed. We heard on Monday, in Burnley, that the appeal process can take anything from a year to 18 months. There are real doubts about the ability of the tribunal system to cope.

Chris Grayling: At present, the appeal process takes 17 weeks on average. A year or more is absolutely not the norm. I would be happy to discuss the matter in the Select Committee, but I should grateful if the hon. Lady would note what I have said for the record.

Dame Anne Begg: Interestingly enough, a constituent of mine is having to wait for six months. I thought that that was ridiculous enough, but two or three weeks ago, when the Committee was taking evidence, we were told that someone was having to wait for between nine months and a year. Perhaps the Minister should talk to his officials, because it seems that in some areas, at least, the wait is much longer than 17 months.

I mentioned the withdrawal of contributory ESA after a year. Many of the people who will lose that benefit will not qualify for a means-tested benefit, particularly in my constituency, where there will probably be a partner or someone else in the household who has an income. Such people will lose all the money that they have.

We have heard today what has been said by cancer charities, but it is not just cancer sufferers who will be affected. Many other people may not have been given a diagnosis, or may have had a mental breakdown from which they have not recovered. It may take at least a year for those people to get anywhere near the Work programme, although they will be in the work activity group because their disabilities will not be severe enough for them to qualify for membership of the support group. They will be told to come back after another three months, because they will still not be fit for work. They may find that they have used up the whole year's worth of contributory benefit before they are anywhere near even looking for a job. Many with other illnesses and disabilities will fall into the same category.

I was going to read out a letter from Heather Bennett that would have summed up the position far better than I have. Unfortunately I have no time to do so, but I ask the Government please to reconsider.

2.45 pm

Jenny Willott (Cardiff Central) (LD): I welcome the Bill, especially the introduction of the universal credit system. It is a huge improvement on the current over-complicated and burdensome benefit system, which has spiralled out of control under a number of previous Governments. I think that several elements of the Bill require further work, and I look forward to their being discussed today and during the Bill's later stages, but I do not consider that a good enough reason not to give it a Second Reading.

I am glad that a couple of earlier proposals have already been reconsidered. Both have been mentioned by other Members. I am delighted that the Government listened to Liberal Democrats, the Select Committee and others throughout the United Kingdom who called for the proposal for a 10% cut in housing benefit for those who have received jobseeker's allowance for a year to be dropped, because it was unfair. It is very good news that the proposal has indeed been dropped, and I am sure that Members on both sides of the House welcome that.

I am also glad that the Government are listening to those who are concerned about the removal of the mobility component of disability living allowance from those in residential care. A number of Members have mentioned that today, and I expect that it will be mentioned again before the end of the debate. I am pleased that the proposals have gone back to the drawing board, and I hope that the Government will take account of the serious concern that many Members have expressed and will, I am sure, express again during the Bill's subsequent stages.

I welcome wholeheartedly some measures that are in the Bill, as well as the absence of some measures that are not. As I said earlier, those that I welcome include the introduction of universal credit, which will finally end the absurd circumstances in which people can be better off on benefits than in work. I am sure that many Members have met people who are frustrated and desperate because they know that although their lives would be better if they were in work, financially they would not be better off in work. I think that everyone should welcome the fact that universal credit will put right that wrong.

A number of Members have expressed concern about the changes in employment and support allowance. As the hon. Member for Aberdeen South (Dame Anne Begg) pointed out, and as the Secretary of State acknowledged earlier, there is particular concern about the decision to time-limit contributory ESA. I hope that during the Bill's passage the Government will consider, for instance, whether the period before the cut-off should be longer than a year, whether it is appropriate to include the 13-week assessment period in the calculation, and whether those with certain conditions could either be entirely exempt from the cut-off or be allowed extensions at the discretion of Jobcentre Plus staff. A good many people will be affected by the limit, especially if, as is currently planned, it is applied retrospectively.

I mentioned the controversy surrounding disability living allowance. As I have said, I am delighted that the proposals affecting those in residential care are being reconsidered. However, concern remains about the increase from three months to six months of the period before people are eligible to apply for the allowance. I understand the logic of trying to ensure that it is given only to people with long-term conditions, but in the case of sudden-onset conditions such as cancer, strokes or accidents, the greatest financial need is at the start. I hope that thought will be given to whether people in those circumstances can be helped to deal with the serious financial implications of such conditions.

I agree with the hon. Member for Aberdeen South that a huge number of issues could be raised in relation to the Bill, but today I can focus on only a few of them. The last issue that I want to raise is the total cap on benefits. Again, I understand the rationale. Many working people with low incomes find it very difficult to see others receiving more money from the state than they themselves can earn, and I understand their frustration and resentment. However, we have yet not been given enough detail to establish the precise impact of the Government's proposal.

Some people also resent the fact that families, particularly large families, are living on benefits, but the choices made by parents are not the fault of their children. By the time the Bill has completed its passage, we must ensure that any cap has been set at an appropriate level, that there is no prospect of children being pushed into poverty, and that families—especially in London, where housing costs are so high—will not be disproportionately hit. Given that the housing benefit cap is £400, a total benefits cap of £500 could leave a large family with just £100 a week to cover all their other living costs. I hope that the Government will consider excluding housing benefit from the calculation, or, preferably, excluding child benefit. Given that child benefit reflects the size of families, that could have an impact on child poverty. I am very concerned about the implications of that policy, and we will need to know the impact on children, in particular, before I can agree to support it.

Most of the Bill is well thought out with a strong sense of principle, and I wholeheartedly support the overwhelming majority of its measures. I welcome the moves to simplify the benefits system and to create a more individually tailored welfare system, but I also have concerns, and I hope the Government—

Mr Deputy Speaker (Mr Nigel Evans): Order. Time is up. I call Mr Tom Clarke.

2.50 pm

Mr Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): I should begin by declaring an interest: I am co-chair, with Lord Rix, of the all-party group on learning disability.

Members will not be surprised to learn that I intend to oppose the Bill and support the reasoned amendment. In the short time available to me, I shall speak in direct opposition to this Welfare Reform Bill, because if it is implemented it will devastate the lives of people who are sick, people with disabilities and many vulnerable people throughout Britain, not least in my constituency.

Since before I was elected to this House, I have firmly held to the principle that people with disabilities should have the same opportunities as everyone else, no less and no more, and I have to say that the election of this new coalition Government does not in the least diminish the need for a principled stand to be taken on behalf of people who require support. That is because of the highly punitive measures that are being proposed, and which have not been denied today, and I hope to have the time to address some of them later.

On Tuesday 30 November I secured a Westminster Hall Adjournment debate on Government plans to remove the mobility component of the disability living allowance for disabled people who live in a residential establishment. At the beginning of that debate, I said:

> "To put that into context, it is important to establish which members of our society qualify for that benefit. The first, and by far the most common group, is where the claimant is unable—or virtually unable—to walk. The second group consists of people who are both blind and deaf. The third category comprises people with a severe mental impairment, and/or severe behavioural problems. In truth, we could not be discussing people who are more vulnerable or deserving in our communities."—[*Official Report*, 30 November 2010; Vol. 519, c. 197WH.]

I also pointed out that of all the proposals on welfare reform, this is the most brutal and cruel. I have had no assurances on this issue during the course of the debate

Chris Grayling: It might be helpful to put on the record that we have been very clear that we intend mobility provision to continue for people in care homes. There is an overlap between a number of provisions however, and we have formed the view that it is better not to include a stand-alone clause in this Bill, but to include the issue as a whole as part of our review establishing exactly what needs to be done and through which channels.

Mr Clarke: So in place of the clear threats we had from no lesser a person than the Prime Minister and in the face of a lack of clarification today from the Secretary of State, we are expected to wait for a review. I am sorry to have to tell the Minister that, as my right hon. Friend the Member for Birmingham, Hodge Hill (Mr Byrne) said in opening for the Opposition, organisations representing disabled people throughout the country are simply not prepared to accept what appear to be assurances at the 13th hour, given what is written in the Bill and given the opposition to my colleagues' amendment.

I urge the Government to consider the opinions of voluntary organisations and of the independent Social Security Advisory Committee, which obviously took the same view as I did:

> "We consider that the proposal to remove the mobility component from people in residential care should not go ahead."

That remains our determination today. I trust that the Government will take on board the view expressed by such an influential and informed body.

Dame Anne Begg: It is, perhaps, worth putting the record straight on DLA. This afternoon, the impression has been given that there are no checks on people on DLA and that they are just left to languish, but everyone on DLA gets a letter every year saying they must report any changes to their condition.

Mr Clarke: I am grateful to my hon. Friend, who has considerable knowledge of these important matters.

Even today, we have heard much about the deficit, but the sick, the poor and the vulnerable in our society simply do not deserve to be punished for the financial greed and recklessness of the banking sector. That is what this Bill is proposing, and if anyone doubts that then let them address the planned 20% reduction in DLA. We are cutting a lifeline on the basis not of a necessity, but of a statistic plucked out of thin air.

I work closely with disability organisations that are at the forefront of supporting disabled people and their families at every stage of their lives. Today, I speak up on behalf of the many constituents who have been in touch with me on this subject. Indeed, I have had more representations on this Bill from both constituents and disability organisations than on any other Bill in my entire time in Parliament, and it is a bit too late for the Minister to make the intervention he has just made. Organisations working in this field have long been striving to achieve a balance between providing practical help and listening to those who need support, and that informs me in this debate. Incidentally, almost all the caring organisations, from Mencap to Scope to Enable in Scotland, are united in condemnation of what is on offer.

We are told the Government plan to simplify the benefit system for claimants and to remove financial disincentives to moving into work. I have no problem with those two objectives if that is what is really meant. As my hon. Friend the Member for Aberdeen South (Dame Anne Begg) said however, the devil remains in the detail. Where is the commitment to promoting social justice for disabled people? We have rising unemployment on the one hand and spending cuts on the other, with reduced access to social care services as a consequence of reductions in local government funding. The latter is hitting disabled people disproportionately hard all over the United Kingdom, further compounding the poverty and disadvantage they already face. There appears to be a lack of recognition that we are talking here not about people who are fraudulent or feckless or who fear work, but about people who are incapacitated and cannot work and therefore must be supported. While disabled people who live at home are to keep the mobility component of their benefits—which is as it should be—it cannot be right, it cannot be fair and it certainly cannot be equitable for disabled people living in residential homes to be hammered with a 69% cut in overall benefits.

For that reason and many others, I ask the House to consider very carefully the words printed in the Bill, because it is the Bill that we are considering today. We are being asked to give it a Second Reading, and on the basis of its contents and what has been said by Ministers, I cannot support the Government.

2.59 pm

Mr David Evennett (Bexleyheath and Crayford) (Con): I welcome the opportunity to contribute to this debate on a Bill that will radically reform our welfare system, and I congratulate my right hon. Friend the Secretary of State on proposing these much-needed and long overdue reforms to our benefits system. He is well known and respected for his work on social justice, and the Bill marks a genuine step forward. I also commend him on the thoughtful, moderate and constructive speech he gave this afternoon.

This measure is to be supported as it places individual responsibility at the heart of the benefits system. That approach will, in general, be welcomed across the country and certainly by the vast majority in my constituency.

The welfare system under the previous Labour Government became a welfare culture in which people claimed everything they could. People not only acted irresponsibly but were encouraged to do so; as a result, some people were better off claiming state handouts than their neighbours who were working. To have 5 million people living on out-of-work benefits and 2 million children growing up in households where no one works is a disgrace, and the Opposition ought to be ashamed of that record after 13 years in power.

There are many problems with the welfare system that the Government inherited. It is complex, bureaucratic and contains perverse incentives to keep claiming rather than work. We have heard the interventions—a 45% increase in housing benefit since 1999 is an incredible figure and such problems cost the taxpayer a fortune. The Labour party had 13 years to simplify the benefits system and to increase the incentive to work and it did nothing but make the problems worse. The Opposition amendment is merely a prescription for doing nothing.

Those who can work should work; that is the responsible thing to do and the best route out of poverty. Our aim should be to encourage people to take jobs, and I believe that most people want to work and to find a job. The Government's role should be to help match people to the vacancies on offer, to ensure that they have the skills they need to take on jobs, and to provide individual support in the meantime to help people to get there. The Bill offers opportunities for change to enable people to do that.

It is right to place a 12-month limit on contributions-based employment and support allowance claims. That ensures that those who need support when they lose their job receive payment, and underlines the principle that they cannot claim for as long as they want. I hope that the introduction of a claimant contract will increase individual responsibility by ensuring that people turn up for their appointments and interviews. The inclusion of a personal pledge to take up reasonable offers of work, with financial penalties for those who do not keep their obligations, is also a necessary reform.

Placing a fixed limit on the maximum amount that any one household can claim in benefits, together with the new housing benefit cap, will mean that the financial barriers to employment will be removed, and that will be fairer for the taxpayer, who will no longer subsidise high rents for others. A regular complaint from my constituents is that, as workers and taxpayers, they pay for some people to have a better life than they do when they are in full-time work. I therefore welcome the introduction of the universal credit, which will mean that once the Government's reforms have taken effect, people will be able to see for the first time that they are better off for each hour they spend working rather than being on benefits. The reforms will ensure that work pays.

Benefit fraud has also been a problem, costing the taxpayer about £1.5 billion every year. That is simply not acceptable. I hope that the measures in the Bill will send a clear signal that fraud and the abuse of the benefit system will not be tolerated.

Issues have been raised this afternoon that we will need to consider carefully, including the point about the disabled. I recognise—and I know that the Government recognise—the important role that cash benefits play in supporting the disabled in overcoming the daily problems that they face. Life is often more difficult and more expensive for those with a disability. I hope that the personal independence payment system that the Government plan to introduce will be fairer and simpler, allowing vulnerable people to lead active and independent lives. Changes must be made to ensure that those who do not need personal independence payments do not receive them. It is important that the assessment system is right and fair and takes into account genuine needs. Change over time should be noted to prevent abuse, as well as to help to ensure that those with growing and additional needs caused by disability get what they need and genuinely deserve. I am pleased that the payments will not be means-tested and will provide people with support when they are both in and out of work.

The disabled issue is emotive and I have received a considerable amount of correspondence from constituents about it. Some of the information that they have been given has unfortunately not been accurate, which is to be regretted.

Fiona O'Donnell (East Lothian) (Lab): On the subject of inaccurate information, a duty press officer from the Department for Work and Pensions told the BBC last night that the Government were not going to reduce the qualifying period from three to six months. Can we have clarity on that issue?

Mr Evennett: I understand the hon. Lady's point and we have had some clarity from the Secretary of State already this afternoon. It is important that we urge those on the Front Bench to take into account the needs of the disabled, and I believe that they will do that in the policies that they seek to implement.

I strongly commend the work done in the Bill and the further consultation that will be undertaken by Ministers to ensure that all the needs of the disabled are considered when we bring in the new annual assessment. I welcome the fact that there will be an annual assessment for those who are disabled so that their real needs can be reassessed if necessary to ensure that they get what they need and what they deserve.

I am running out of time and, as other hon. Members have said, it is very difficult to cover all the aspects of such a complex Bill in such a short time, but I want to commend the work being done in further education by my hon. Friend the Minister for Further Education, Skills and Lifelong Learning to ensure that people get the necessary training to take up the jobs on offer.

[Mr Evennett]

I believe that the Bill will deliver real progress from a coalition Government who are determined to reform a system that is unwieldy, unfair and unacceptable. The Bill should be commended and supported this evening.

3.6 pm

Julie Elliott (Sunderland Central) (Lab): There have already been some excellent speeches in this debate on one of the most important issues that we have discussed so far in this Parliament. Before I talk about the issues, I want to align myself with the comments made by my hon. Friend the Member for Aberdeen South (Dame Anne Begg) about the problems with the Bill.

I support any attempt to reform the welfare system for the better, to make it easier to access and understand and to make people claim and receive the benefits to which they are entitled, and some measures in the Bill attempt to do that. For example, if universal credit can be made to work, that will be a good thing, but, as yet, I am not convinced that that will be the case. I await with interest the details of how the proposals will work. The jury is out for me on that point.

In the run-up to Second Reading, I have been contacted by many people who are extremely worried about the proposed changes and who are worried and frightened about the impact that those changes will have on their lives. The lack of detail about some of the proposals is one of the problems. The people contacting me have been, in the main, among the most vulnerable in our society. That was why I felt that I had to speak in this debate; I believe that, as an MP, I should speak up for the most vulnerable people I represent.

There are many reasons why I cannot support the Bill as it stands, many of which are set out in the reasoned amendment. The uncertainty about how the universal credit will work is creating fear for those people for whom benefits form all or part of their income. The Bill seems to contain disincentives to work, and that surely cannot be the intention.

I come from an area with long-standing high unemployment and I firmly believe that we need to incentivise work and to give people the opportunity to be aspirational about their lives and the chance to make things better for themselves. Although there is high unemployment in Sunderland and the north-east, there is also a strong work ethic. I was brought up in a family and community that believed that people should work hard and do their best, and I do not believe that that has changed over the years in the majority of families. Sometimes, people need help to do that. Such help includes the tax credit system, but there has been no clarification on what level of support parents will get for child care. The disincentives for people who save, who will be barred from the universal credit, seem unbelievable.

As the Bill disadvantages people suffering from cancer or mental illness through the withdrawal of the contributory employment support allowance, it is hitting hardest those whose needs are probably the highest.

Stephen Lloyd (Eastbourne) (LD): Will the hon. Lady give way?

Julie Elliott: No, not at the moment, although I might in a minute.

As I said earlier, I want to focus my remarks on the most vulnerable. Many of the extremely vulnerable people who have contacted me are suffering from mental health issues and autistic spectrum disorders. Autism is a spectrum condition, which means that, despite some common characteristics, it affects sufferers in different ways and to differing extents. ASDs, as they are commonly known, are largely "hidden" disorders that affect a sufferer's ability to communicate with others, which means that the annual review will be a real problem. ASD sufferers span the whole disability spectrum. Some are able to live relatively independent lives; others need a lifetime of care or receipt of specialist support.

Approximately one in 100 children and 350,000 adults of working age suffer from ASDs. Of the latter group, only 15% are in full-time employment in the UK. The disability living allowance has been a key benefit, providing for these people the help and support that the additional costs of their disability require. The £1 billion cut over the next three years, when the DLA is replaced by the personal independence payment—

Jim Shannon: At the beginning of her remarks the hon. Lady said that reform is necessary, which we all accept. However, does she share my concern that a target to reduce by 20% the number of people in receipt of DLA is the wrong approach, and that the issue should be dealt with through reform alone?

Julie Elliott: I totally agree with the hon. Gentleman. Reform is about making the benefit fit the individual need. If the benefit needs to be paid and if it fits the need, it would not be wrong if it went up by 20%.

It is vital that the Bill does not disproportionately hit those with autism and other disabilities, who are all too often overlooked despite being among the most vulnerable in our society. The goal surely must be to support people with autism who cannot work, so that they can live a full and happy life. However, for those who are able to work, DLA has been crucial in helping them into the workplace. Without the DLA, people with autism would be socially isolated and more likely to suffer from poor mental health. The reform of DLA may lead to people with mental health problems missing out, which could have huge knock-on cost impacts on health and social care services. Surely this cannot be this Bill's motivation—to give less support to people with autism and to increase the knock-on costs to other Government Departments. As it stands, that is what the Bill is in danger of doing. Its implications for people with autism could lead to confusion and frustration, which in turn could lead to more serious health problems. The Government must ensure that the needs of those with ASDs are taken into account.

The proposals for face-to-face assessments are in themselves creating great anxiety among people with autism and with mental health issues. ASDs are a very specialist area of medicine, and the doctors who deal with such disorders are the people who understand them and their implications. Many of the doctors undertaking the assessments will not have a full understanding of ASDs and the specific needs of the people who suffer from them. When a detailed assessment by a specialist has already been undertaken, what is the need for a further assessment, for benefit purposes, to be carried out by someone without that expertise?

As I said at the beginning of my speech, for a welfare reform Bill to work, it must be, as it says, a "reform" Bill that makes benefits easier to access and to understand.

3.13 pm

Tracey Crouch (Chatham and Aylesford) (Con): May I begin by congratulating the Government on introducing the Bill? I firmly believe that its proposals have the potential radically to reform our welfare system for the better, and we are in dire need of such reform. Those trapped within the system, and the millions of taxpayers who pay for it, will note that Labour intends to vote against such reform later today.

It is vital that we assess the broken welfare system that this Government inherited, to put the need for reform into perspective. Under Labour, we saw ballooning welfare expenditure, an increase in workless households and the absurdity of some housing benefit awards dwarfing the average family income. The Government simply must urgently address that appalling legacy by establishing fairness and an ethos of individual responsibility as cornerstones of our welfare system.

I welcome the notion of a universal credit and the merging of a number of working-age benefits. By replacing housing benefit, the child tax credit, the working tax credit, income support and the employment and support allowance with one single benefit, we replace a tired, confusing welfare system with a simpler, more transparent one. This simplification will help to combat the serious issue of benefit fraud, which is estimated to cost the taxpayer £1.5 billion per year—another reason why the Bill ought to be welcomed on both sides of the House.

Undoubtedly the most progressive aspect of the universal credit is its potential to incentivise those who are unemployed back into work, with no one left worse off by entering employment. The previous Government created a welfare system that discouraged people from working. As a result, there is a troubling number of cases of people languishing on benefits who have become accustomed to that way of life. I see that in my own constituency.

I am proud that this Government recognise that more must be done to help get these people back into employment, either through personalised support for those who are seeking work or through tough sanctions for those who are not. Although the universal credit will act first and foremost as a safety net for those out of work, it has motivation and conditionality at its heart, which, coupled with the Government's Work programme, which focuses on the long-term unemployed, ought to be welcomed.

I visited Canada a few years ago to study its rehabilitation programmes for those who had suffered some kind of personal injury, and I was struck by the completely different mentality. The programmes, which were often as much about psychological as physical rehabilitation, were entirely designed to get people back into work. Canada's insurance system simply does not encourage a sit-at-home attitude; our current welfare system does precisely the opposite.

Although I am in no doubt about the positive impact the universal credit will have on our welfare system, there are areas that I believe we must be particularly careful in addressing. By creating an overarching single benefit, we have to take this opportunity to make sure that the flaws in the system are remedied. Although I congratulate the Government on addressing the way in which people with mental health conditions were treated under the previous Government, I would like a reassurance that, where necessary, carers will be able to accompany those with particular conditions to their work capability assessment. Assessments of the needs and suitability for work of those with mental health conditions must be more comprehensive, compassionate and consistent. I welcome the Government's broad acceptance of Professor Harrington's review of these issues.

The Bill presents the opportunity to restore faith in a broken system. Undoubtedly, we must provide the means for those who are out of work to re-enter employment, while supporting those in genuine need. A system based on conditionality, with strict requirements for out-of-work benefits, will also be fairer for the taxpayer. Most importantly, we must shift the emphasis from what claimants cannot do to what they can do.

These bold welfare reforms must be carefully implemented, and people will be understandably anxious about how they will affect their lives, but I share the Government's belief that they are necessary and for the better, and I am confident that, in time, this will be proven.

3.18 pm

Mark Tami (Alyn and Deeside) (Lab): I recognise that a lot of Members want to take part in the debate, and I want to make just a few points about the possible effects of changing the disability living allowance and the impact on young people with cancer and their families.

Receiving a diagnosis of cancer for your child is devastating. Each day, 10 families get that terrible news. For my family, that news came on 31 July 2007, when what we thought was a viral issue with our son was in fact leukaemia. Your life and that of your family changes at that moment: you are scared, frightened, terrified—you do not know what is going to happen next—and when the treatment starts, it is quite an aggressive process. It is a long, helter-skelter journey; there is no quick fix. For girls the protocol is two years, and for boys it is three. Children will respond very differently to chemotherapy. Some will respond relatively well, whereas others will get quite ill, but few get through it without any side effects. There will be times when things will be fairly stable, with periods at home and out of hospital, but there will be other times when you are back in and out of the hospital with an infection or some other problem, which affects the family as a whole.

The financial impact of this illness on your family is probably the last thing you think about when you are told the devastating news, but it must be taken into account because, like the treatment period, it goes on for years, rather than days, weeks or months. We were fortunate because I have a well-paid job and an understanding employer. In my case, two parents can share the care, we have the use of a car, and we have a supportive family and friends. Many people I have met and know were not in that position, which is why disability living allowance is a very important, if limited, support, on which many people rely.

I ask the House to consider what it is like being in a hospital almost full time, day and night, perhaps with another child at home who cannot really grasp what is

[Mark Tami]

going on. Some people in this position are single parents. Some cannot drive or do not own a car, so the very task of getting to and from hospital becomes a nightmare. Some do not have any family network or friends on whom they can rely. Perhaps their employer, who at first was very understanding, later requires them to come back to work, but as they are not sure what the next day will bring they are not sure whether they can commit to doing that. They start to use up their paid leave, then start to take unpaid leave, and then perhaps they give up their job altogether.

A 2007 survey found that 83% of families incur significant extra costs associated with their child's cancer and 68% get into actual financial difficulties. I think that the survey is wrong, because I believe that about 100% of people in this position find themselves incurring extra costs—I do not see how they can fail to do so. The current qualifying period for DLA already creates problems, as it takes no account of the sudden onset of many cancers—that point was made earlier. Families need help at the earliest possible time, and doubling the qualifying period will only make matters far worse. I ask the Government to look at that again, and I hope they do so.

I also ask the Government to recognise that cancer treatment is not a nice, smooth process; there are ups and downs, and a failure of the treatment or a relapse will result in a different protocol being used, which again can cause a number of problems. My son went down the transplant route, and a lot of issues arise there. Families may need just as much support a year or two years down the line as they did when they received the first news. There is no one-size-fits-all solution and any assessment criteria must take account of that. The Government need to rethink and to listen to charities such as CLIC Sargent, which deal with the families day in, day out and provide a very high level of care. They are the experts. Please listen to the experts and take their views on board.

3.24 pm

Chris Skidmore (Kingswood) (Con): I welcome the Bill, which marks a point at which we can send out this message: we cannot continue to spend on welfare as we have previously. Instead, we need to understand that there is no such thing as Government money, free to be given out; there is only hard-earned taxpayers' money, which in these difficult times needs to be spent with caution and care.

Over the past 13 years, we saw no evidence of that caution, as the total annual expenditure on benefits mushroomed to £152 billion. Every year, £5.2 billion was lost in overpayments, of which £1.5 billion was lost to fraud. Some £3.5 billion was spent annually on administration costs and paperwork alone. As we have heard from the Minister, other benefits rose, with the cost of housing benefit having increased from £11 billion to £20 billion since 1997. That is simply unsustainable and we must act.

I wish to refer to the words of one commentator, who once said that

> "we have reached the limits of the public's willingness simply to fund an unreformed welfare system through ever higher taxes and spending".—[*Official Report*, 14 May 1997; Vol. 294, c. 65.]

Those words could have been spoken today by the Minister, but they were spoken by Tony Blair in 1997. In opposition, Blair understood the problem. He understood, even 14 long years ago, that our welfare system prevents people from living independent and fulfilling lives. He understood that it creates a segregated society, which he stated was a "moral and economic evil." In 1997, Labour's manifesto promised:

> "we will face up to the…issues that confront us. We will be the party of welfare reform."

I see very little evidence of that, and, tied down by Members on the left, the party did nothing.

In this debate, we are having to deal with the tragedy that that inaction has left us. Millions of people of working age are locked in dependency on state benefits, with little incentive to get off them. They can exploit a system that provides hand-downs, rather than a hand up—a system that has become the engine of social failure and has driven a culture of "work does not pay". That, in turn, has driven the importation of cheap labour, exacerbating the immigration problem.

I hope that this Bill can mark the turn of the tide and that it will usher in a new era—one that we were promised in 1997 but that was never delivered. I hope this will be an era of reform that will transform this nation. The stakes might be high, but we cannot afford to waver on welfare reform. We must deliver for the health of the nation, and I urge every Member to give the Bill their full support.

3.27 pm

Malcolm Wicks (Croydon North) (Lab): It is a pleasure to follow my Blairite colleague on the Government Benches. May I say, by way of introduction, that I judge, as many of us would, that wise social security policy seeks to relate the issues of benefits to the issue of employment? I would argue that we should start the discussion with work. I wish to analyse the Bill and some of its proposals in that important context, because surely for those able to work the best social security policy is a job—things start from there.

I often quote William Beveridge at this stage, partly because it reminds us that there was once an era of great Liberal reform. In his famous 1942 report, he talked about the giants of want, disease, ignorance, squalor and idleness standing in the way of social reconstruction once peace had come. He said that the giant of idleness, by which he meant unemployment, was the largest and fiercest of the giants and that if we did not overcome it all the other social goals of peacetime reconstruction would be out of reach. If one thinks about the implications for health and education, one sees exactly and empirically what he meant, so that is my starting point.

Skipping forward 65 years from the great Attlee reforms that implemented the Beveridge recommendations and many others to the present day, it seems to me that there are three issues or obstacles that we must address or overcome if we are to get right the balance and relationship between what I still prefer to call social security—I find the term "welfare" pejorative—and work.

The first issue is employment policy. Where is the Government's full employment policy? Is it their ambition to move back towards full employment? In my Croydon constituency, literally hundreds of job losses have just been announced at the Home Office's Border and Immigration Agency. In addition, the council will contribute hundreds of job losses and there will be job losses in the health service with the reform of primary care trusts. That is just the start in an area that is very dependent on public sector work. What we are seeing is not ambition for full employment but a move towards further unemployment, which concerns me greatly.

One of the great tragedies is that many of our fine young people leaving school and getting vocational qualifications and degrees are finding that no jobs are available. We must all think long and hard in the short, medium and longer term about whether we can somehow move towards a job guarantee for our young people, many of whom do so well in education and skills. We will betray a generation if we cannot soon offer them work that suits their skills, creativity and qualifications.

On the contentious issue of immigration, it is clear to me, from a London perspective, that eastern European immigration has made it more difficult for people on the margins of the labour market to get jobs. It is a simple matter: if an employer is presented with a British person of whatever ethnic group who is not job-ready, as opposed to someone from Lithuania or Poland who is clearly eager to work and will probably turn up on time, who will they employ? How, in those circumstances, can we enable British people to get the work that our country owes them?

Stephen Lloyd: That is an important point. Does the right hon. Gentleman agree that a key area in the Bill—within the black box that was discussed earlier—is the fact that the Department will pay providers upwards of £14,000 to help into work people who have been away from work for a while and to sustain them in work over a couple of years? Does he agree that that is a positive step?

Malcolm Wicks: Of course, which is why the Labour Government, under the former Secretary of State for Work and Pensions, my right hon. Friend the Member for Sheffield, Brightside and Hillsborough (Mr Blunkett), established such policies with Jobcentre Plus. Of course that is the right thing to do.

The second of the three issues I mentioned is wage levels. I recall from my history that the Speenhamland system was created in the late 18th century. As far as historians can judge, that was the first direct wage subsidy in Britain. Since then, we have had a number of policies, starting with family income supplement, tax credits and so on that could be said to subsidise low wages. I am proud that a Labour Government introduced the minimum wage, but Conservative Members will not be so proud that their party vehemently opposed it. As we move back towards economic growth and greater affluence, should we be talking about not just a minimum wage but a living, or adequate, wage, not least for people who are employed by multinationals that make large profits? Otherwise, the social security system will continue to subsidise low and sometimes exploitative wages.

The third issue is the work ethic, on which my hon. Friend the Member for Sunderland Central (Julie Elliott) touched. I believe the work ethic is alive and well in many parts of Britain. I also recognise that because of the de-industrialisation during the Thatcher years the work ethic among some individuals in some communities had the stuffing knocked out of it, and there are now communities where three generations of people have been nowhere near a job for a very long time. We need to think through the implications of that.

Where people can work and where jobs are available, working-class people on our estates are angered by spongers and shirkers. Those people do exist and we should not ignore that fact, but in a culture in which bankers can stick two fingers up to democracy, to Parliament and to the Government and in which multinationals brag about avoiding paying tax, we have become an amoral, if not sometimes an immoral, economy. If we are to preach honesty and responsibility to the poor, as I think we must, although it can be difficult at times, then responsibility is also good enough for the rich and powerful.

3.34 pm

Paul Uppal (Wolverhampton South West) (Con): It is an honour to follow the right hon. Member for Croydon North (Malcolm Wicks). I very much shared some of the sentiments that he expressed. His speech contained a good deal of common sense. I would not expect anything else from a fellow Wolverhampton Wanderers fan; that is the least I would expect from him. I do not think I am the third Blairite in a row to speak, but I will endeavour to add some thoughts, particularly from a personal perspective. Six minutes is not long enough to do justice to my full thoughts on the Bill, but I shall be brief. Hon. Members may be happy to hear that I do not intend to use all of my allowance.

This piece of legislation is a seminal Bill. It is one of the reasons that I hold the politics that I do. I am a Wolverhampton Member and Wolverhampton South West is a no-nonsense constituency, full of decent, hard-working folk who say it as it is and always wear their heart on their sleeve. The sentiment that has been repeatedly expressed to me is that the Bill has been a long time coming. Its central ethos is that work always pays. I shall sum it up by recalling my personal experience of my father.

My father came to this country with less than £5 in his pocket and no idea where he would sleep that night. He took that risk not only because he wanted to live in a country that had choice, freedom and opportunity, but because he wanted to work. Within 48 hours of his arrival, someone tapped him on the shoulder and said, "Do you know you can actually claim benefits?" That was anathema to him; it was not even in his mind. He came with the ethos of working, and working is what he has always done. That story has been replicated by those of scores of my relatives, who came over to work and had the ethos of working hard at their core.

I have actually been poor. I was brought up in poverty. I say this to Opposition Members—to all Members, actually: there is no nobility in poverty. It is something one strives to escape from. I went to a state school. My friends divided into two camps: those who had the ambition to move on, and those who, even then, in the late '70s and early '80s, would tell me to my face that they envisaged that the rest of their life would be on benefits, and that they were quite happy to live that way. The Bill, through its ethos of making work pay, tackles that problem head-on.

[Paul Uppal]

The right hon. Member for Croydon North said that a lot of people had the stuffing knocked out of them in the 1980s. I will use a personal example. Many of the uncles that I referred to earlier lost their jobs because they worked in industries in the midlands in that period, but almost all went on to establish their own businesses. They were driven by ambition and the ethos of trying to better their lives.

I have spoken a lot from an historical perspective, but I want to bring my remarks up to date with a personal story that I heard from one of my closest friends just after Christmas. He had run a motor salvage firm, which, through a bit of bad luck and for other reasons, had gone downhill and eventually folded. People said to him, "How about claiming? You've contributed enough in your life," but he said, "No. I've worked for myself and that's what I'm going to do." He set up a new business—a cleaning business. He has worked hard, but whenever he tries to employ staff—this frequently comes up—people approach him and say, "I'm happy to work for you if you give me a bit of cash on the side." What they are saying is that work does not pay in those circumstances.

I am glad, and absolutely proud, to be part of the Government who are introducing the Bill. To make a non-partisan point, this has been a long time coming. It should have been done, not just in the past 13 years, but very many years ago. I shall sum up briefly by paraphrasing a saying that was used by my hon. Friend the Member for North West Leicestershire (Andrew Bridgen): there is never a wrong time to do the right thing. As the Chinese always say, the first step of any journey is a long journey, and the most difficult step. I am happy to put my shoulder to the wheel and support the Bill, and push it through its very important journey.

3.39 pm

Teresa Pearce (Erith and Thamesmead) (Lab): All Members agree that the welfare system needs reform, and I welcome attempts to simplify the benefits system and make work pay. We need a welfare system that helps those who can work to do so, by supporting people into good, well-paid, meaningful work, and properly supports those who cannot work. However, I have serious doubts about the Bill's effectiveness, and I am worried about the impact that some of its provisions will have on vulnerable people in my constituency.

I shall first raise some concerns that I have about how the Bill has been drafted and presented. Almost all the charities and organisations that I have been in touch with have raised legitimate concerns about the speed of the legislation and particularly the lack of detail. There is a heavy reliance on regulations and secondary legislation that makes it difficult for Members and others to scrutinise how the welfare reform agenda will work in practice. Clause 11 on housing costs, for example, is only 30 lines long. There is little detail or analysis of how child care costs, free school meals and council tax benefit will be covered under universal credit.

One of the most concerning aspects of the Bill is that some of its provisions are still under consultation. For example, clauses 69 to 72 propose the abolition of the social fund, yet the Department for Work and Pensions consultation on its proposed replacement is still open and does not close until 15 April. Abolishing the central fund and handing the emergency money to local authorities without ring-fencing is likely to create a postcode lottery. It is not right that this provision is included when we do not know its full impact and people have not had a chance to submit their views. I strongly urge the Secretary of State to withdraw any clauses on which consultation is still open.

One of the reforms in the Bill that will affect my constituency most is the changes to housing benefit. Capping local housing allowance rates and setting them at the 30th percentile of local rents rather than the median from April will create affordability problems. Many people will see a shortfall between their benefit and their rent. Plans to introduce regulations to uprate LHA rates based on the consumer prices index will make the problem worse. The DWP's own impact assessment states that CPI is expected to rise by 2% each year, but rental costs will rise by 4%. This will break the link between housing benefits and actual rent costs, and means that many families will struggle.

The change will push many LHA claimants in London further out to areas like my constituency, Erith and Thamesmead, which has some of the cheapest housing in Greater London. This will place a great strain on our already overstretched housing and local services. The other possibility is that people will simply be unable to find any affordable accommodation, and will be at risk of debt and homelessness. Everyone should be entitled to a secure home. I urge the Secretary of State to think again.

Another of my concerns about is the proposal in clause 111 to apply a £50 civil penalty for claimant error. The proposal will affect the most vulnerable claimants—those who have difficulty filling out forms, those whose first language is not English and whose literacy skills are poor—and people who inadvertently miss out information. More importantly, it appears to link error with fraud, something that Ministers have done far too often recently and this afternoon, the most obvious case being the Chancellor's announcement in the comprehensive spending review statement that over £5 billion was lost to benefit fraud. As we heard today from the hon. Member for Kingswood (Chris Skidmore), the figure is £1.5 billion. The DWP's latest central estimates of total fraud and error across the Department shows that roughly the same amount of money was lost in claimant error as through official error by the Department, but we do not talk about departmental fraud. I urge the Secretary of State to reconsider the proposal to introduce a £50 civil penalty for claimant error, as well as the heavy sanctions in other clauses.

I was pleased that the Secretary of State decided not to proceed with plans to impose a 10% housing benefit cut on anyone who had been out of work for a year. That sanction did not make sense, and similar provisions in the Bill need to be reconsidered. A sanction-led approach does not make sense when we are facing huge public sector redundancies, a knock-on effect in the private sector and a weak growth rate which means that jobs simply are not available. There are 2.5 million people unemployed and fewer than 500,000 vacancies in the economy. I am already receiving a significant number of letters from constituents, many of whom were recently made redundant late in their careers, who are desperate to work but cannot find employment.

I have visited local colleges, where highly motivated young people are gaining qualifications in the hope of getting an apprenticeship or a job, but they are fearful because they know that the ratio of claimants to Jobcentre Plus vacancies is 12 claimants to every three vacancies. People need help overcoming barriers to work. They need personalised support, and a Government with a growth strategy to create jobs. A sanction-based approach will only cause severe hardship for the people who need the most support and further stigmatise people on benefits, setting neighbour against neighbour. I also fear that it will mean a significant increase in child poverty rates in this country.

Finally, I dispute the assertion by the Secretary of State that the welfare state is only for the most vulnerable. It is not: it is for each and every one of us. It is in effect a national insurance system into which people pay when they do not need it so that it is there when they do. It is a system in which contributions have just gone up by 1% for everyone in employment, but all they can expect is a cut in pensions and benefits. Overall, I support the principle of universal credit, and I am in favour of simplifying the benefits system and creating work incentives, but in the context of £18 billion of welfare cuts—

Madam Deputy Speaker (Dawn Primarolo): Order.

3.45 pm

George Hollingbery (Meon Valley) (Con): I pay tribute to my hon. Friend the Member for Wolverhampton South West (Paul Uppal), who made a compelling speech. My contribution is likely to be more technocratic, but I pay tribute to his eloquence.

I pay tribute, too, to the Opposition, who have a real passion for this subject and, Government Members will all acknowledge, are more likely to represent constituents who are subject to the vagaries and whims of the benefits system. We must encourage them, however, to accept that our ministerial team cares equally deeply about this complex, difficult and challenging issue. It has introduced a broad skeleton of proposals on which to hang the detail. In my conversations with Ministers, it has been quite clear that they know that that detail is missing at this stage. Indeed, the Secretary of State has made it plain that there is more work to be done on particular areas, but change is certainly required.

There are more than 30 different benefits out there that can be claimed. There are 14 manuals in the Department for Work and Pensions, with 8,690 pages of instructions for officials. There is a separate set of four volumes for local government, with 1,200 pages covering housing and council tax benefits alone. That is an astonishingly byzantine system. One of my constituents, Nigel Oakland, wrote to me:

> "Nobody at the Jobcentre Plus can explain if it is beneficial if I continue to sign on. The last advice I was given is that I should Google the question."

In such a situation, where even the experts at Jobcentre Plus cannot answer the questions that arise, we are clearly in difficulty.

It is confusing for clients. There is a 30-page form for housing and council tax benefit, including three pages of declarations. Employment and support allowance requires a 52-page form; jobseeker's allowance, 12 online sections, each of five to 10 pages long; and disability living allowance, a 60-page form. Is it any wonder that people become confused and fill in the forms incorrectly and make mistakes? The system is extraordinarily expensive to administer. The DWP spent £2 billion last year administering working-age benefits, and local authorities a further £1 billion administering housing benefit and council tax benefit. Even the tiny citizens advice bureau in Bishop's Waltham, a town of 5,000 people in a rural and relatively affluent part of Hampshire, processed 2,176 queries about benefits in 2009-10, advising people how to claim them.

As we have heard from my hon. Friend the Member for Kingswood (Chris Skidmore), overpayments are rife, and I do not intend to rehearse the clear disincentives to finding work imposed by the benefits system, as that has been covered in some detail by the Secretary of State and my hon. Friend the Member for Bexleyheath and Crayford (Mr Evennett). There is absolutely no doubt that with some work having a marginal rate of tax of 95%, there are powerful disincentives that prevent people from going out to work. The taper in the universal credit of 65% at least allows some certainty, so that every time someone goes out to work they can be sure that they will earn a reasonable amount and get a reasonable amount in their pocket.

The right hon. Member for Birmingham, Hodge Hill (Mr Byrne) discussed the difficulties for self-employed people in the new system. Only yesterday, I asked my right hon. Friend the Minister of State how that would be administered outside the PAYE system. He had a clear answer, and said that there would be mechanisms in place. In the present situation, my constituent Zehra Peermohamed wrote:

> "For every £50 extra per week my new business may generate"—

a business that she started up herself—

> "I would only gain an extra £4.81 of it to add to my overall income…It seems that there is little incentive for people in my situation who want to better themselves and not to rely on the benefit system."

Whatever objections the shadow Secretary of State might have now, the existing situation is certainly no better.

Gemma Sword, a single mother with a child who has turned seven, says:

> "In March…I started working part time 4 hours weekly over 3 days earning £96 monthly of which I was allowed to retain £80."

From 15 November, she earned up to £150. Ms Sword continues:

> "I was then transferred to Job Seekers allowance as my son turned 7 and was told that I can now only keep £20 of my monthly earnings",

which did not even make it worth travelling to work. She was then told that she had to look for full-time employment but, to do so, had to leave her part-time employment. Those rules make no sense to anybody who looks at them carefully, and there is no doubt in my mind that there are powerful disincentives in the system to stop people going out and bettering themselves by finding work.

I do not want to spend a large amount of time examining the issue now, but we need sticks as well as carrots. There needs to be an understanding in the system that if someone does not perform as the system requires them to do in looking for work, they will pay a

[George Hollingbery]

penalty in terms of the benefits to which they are entitled. Without that part of the mix, the new universal credit will not work.

I would love to examine in more detail the Work programme and its localisation, because the Communities and Local Government Committee has heard evidence that localisation will be peripheral. I would like to hear about the migration from disability living allowance to the personal independence payment, and in particular about the mobility component. I have talked to the Under-Secretary about that at some length and received considerable reassurances, for which I thank her. I would like more on the work capability assessment, the Harrington review of it and the ongoing review continually to refine that system and make it fairer and more equitable; and I also want to hear a little more at some stage and, particularly, in Committee about the appeals process and the proposed changes to it.

On the whole, however, this is a thorny, knotty problem, which the Government are grasping with some alacrity, and I for one will certainly vote for the Bill's Second Reading.

3.51 pm

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): These debates about our welfare system or, as I should say, heeding the comments of my right hon. Friend the Member for Croydon North (Malcolm Wicks), our social security system—whether in the House, the media or the pubs and living rooms of our constituencies—often become a magnet for two opposing arguments. The first is that everyone on welfare is somehow undeserving and all the money is spent incorrectly; the second is that every penny spent is 100% effective and should be beyond question. We have heard those views today, but both are extreme and neither is true.

I will always support our welfare state, and I want to live in a country where we accept collective responsibility for the people who are most in need. We would all be much poorer if we did not enable the most vulnerable members of our society to live with dignity, and it would be a far more daunting society without the support that we currently offer to people who are searching for work. I admit, however, that our system is not without its shortcomings, and it could benefit from some reforms. Unfortunately, those are not the reforms suggested in this Bill.

Our welfare system can be daunting and is too complex, and universal credit could be a positive step forward if it simplifies the system, but simplicity and transparency, welcome objectives that they are, are not enough on their own; the welfare system must also be fair and effective and, above all, enable the transition from welfare to work. The proposals in the Bill fall short of those measures, and as a result, despite being a supporter in principle of welfare reform, I cannot support them today.

The Government need to realise that we can support the welfare system and make it stronger only if we are also willing to support the labour market. Helping the transition from welfare to work will be successful only if there is work to take up, yet the scale and pace of the cuts that we currently see threaten to send unemployment soaring, just as happened under the previous Conservative Government, when it topped 3 million on two separate occasions.

Government Members tell us that the welfare bill is expensive, but so is mass unemployment. I believe enormously in the power of work. Employment brings dignity, respect and decency to life, and getting more people into work should always be one of the prime objectives of the Government. In my constituency there are 16 people chasing every advertised job, and, with some of our major employers, such as the council and the police force, axing hundreds of jobs, that will only become worse. Residents are concerned about their jobs, and with youth unemployment at record levels they are worried that there will be no work for their children.

The Labour Government took deliberate and positive steps to reduce youth unemployment by introducing measures such as the future jobs fund. By September, almost 700 young people in my borough had completed placements funded by the scheme. The scheme was an opportunity for participants to learn new skills, to develop confidence, and to learn about the things that might be holding them back in the jobs market. Many of the people who completed it went on to further education or training. Where was the sense in axing such a scheme, which was already proving successful in stemming the increase in youth unemployment?

It seems to me that schemes such as the future jobs fund were cancelled not for economic reasons but for political ones. The Government appear intent on spinning the myth—

Stephen Lloyd: Will the hon. Gentleman give way?

Jonathan Reynolds: I will, because I believe that I could not give way to the hon. Gentleman on Second Reading of the Health and Social Care Bill, and I do not want to be discourteous a second time.

Stephen Lloyd: I thank the hon. Gentleman. On the future jobs fund, does he agree that the percentage of people who went into paid work afterwards was incredibly low? One of the reasons why the Government have decided to focus more on apprenticeships, where they have invested much more money, is that with apprenticeships the jobs that people get tend to stick.

Jonathan Reynolds: When I looked into this, anticipating such an intervention, I found that it is difficult to get precise figures on a constituency basis, but the information that my local authority could give me shows that two thirds of the people who were employed through the future jobs fund in my borough went on to paid employment or training. I appreciate that that is not quite the answer to the hon. Gentleman's question, but it is the best one I can give him.

The Government seem to want to create a year zero and pretend that no reform went on over the past 13 years, in order to create a benchmark by which they can measure their own progress. However, it is a false benchmark because it fails to recognise the progress that was made. Returning people to employment was an integral part of the last Labour Government's policy, and many advances were made. The Benefits Agency-Jobcentre Plus merger, which is always identified as best practice, allowed people to look for work at the same time as claiming as benefits. We launched the new deal, under which, for the first time, people were told that they could not refuse help to find work, and it was the Labour Government who toughened sanctions against those who could work but refused to do so. Some of the measures now being proposed dilute the sanctions imposed by the last Labour Government.

Mel Stride (Central Devon) (Con): Will the hon. Gentleman explain what progress was made under the last Government, given that the numbers claiming incapacity benefits increased from 700,000 to over 2.5 million?

Jonathan Reynolds: The benefits changed, so I am afraid that the hon. Gentleman is not comparing like with like. If he goes to the Library, he will see that the overwhelming rise in sickness benefits occurred in the 1980s, when take-up doubled. That is because when we went through the process of deindustrialisation the Conservative Government threw people on to the scrapheap, encouraged them to take that benefit until they retired, and did not care one bit about them. That is where he should look if he wants to find a reason behind these figures.

Ian Paisley (North Antrim) (DUP): Does the hon. Gentleman acknowledge that in Northern Ireland there is over £700 million in unclaimed benefit that people should be claiming and have not claimed? If that is the case in Northern Ireland, the same must be true across the rest of the United Kingdom.

Jonathan Reynolds: I thank the hon. Gentleman for his point; I am pleased that he has been able to put it on the record.

I am proud of the Labour Government's record on welfare reform, which stands in stark contrast to what occurred in the 1980s and 1990s, when there was no such reform at all until the end of the Conservative Government. Only now are the Conservatives coming back to it, but against the backdrop of public sector cuts and deficit reduction. The question that people will ask is whether the Bill is really aimed at getting people back into work or, once again, merely pursues the Government's ideological goal of reducing the size of the state.

In principle, I welcome the move towards a single, simplified universal credit; few would not do so. That has the potential to ensure that people are clear about the income they will have if their circumstances change, and in principle I wish that we had done it. However, only through scrutiny of the detail of the Bill will we determine whether the reality of these reforms matches the promise, or whether they are really a cruel camouflage to hide savage cuts targeted at the most needy members of our communities. The measures in the Bill will penalise savers. Estimates suggest that nearly half a million families could lose all eligibility for financial support. Some reforms, such as the removal of the mobility element of DLA, are simply cruel and unfair. The Bill leaves many questions unanswered, such as how some benefits—crisis loans and council tax benefit, for example—will maintain any consistency if eligibility is decided locally.

Furthermore, we still know far too little about the Government's plans for the most important area of all—child care. For all the good that any reform might do, unless the Government continue to provide support for childcare, we will not make anything like the progress that could be made.

I believe that the principles behind the Bill are right, but there is too much in the proposals that is ill thought through, and will be detrimental to many vulnerable people. The Bill is not ready in its present form, and the Government should recognise that. Welfare reform has a great many supporters in all parts of this House. The Government should have built on that consensus in creating the Bill, but they did not. That is why I will not support the Bill today, but will vote for the reasoned amendment moved by my right hon. Friend the Member for Birmingham, Hodge Hill (Mr Byrne).

4 pm

Sajid Javid (Bromsgrove) (Con): I welcome the Bill, and the excellent and thoughtful contributions that we have heard from all parts of the House. This Bill is important for many reasons, and it goes to the heart of the kind of society that we want to be. Do we want to be an opportunity society that rewards people for hard work, believes in equality of opportunity rather than equality of outcome, and believes that we should have a welfare state that stands behind people to cushion them if they fall, not one that stands in front of people and stops them progressing and reaching their ambitions and aspirations? That is the essence of the Bill. If one believes in an opportunity society, one believes in this Bill.

Some 1.4 million people have claimed out-of-work benefits for nine of the last 10 years. In that time, 600,000 people have gone straight on to the welfare register on leaving school and have never worked since. In short, many people have come to see welfare as a career option. I have seen that as an MP when meeting my constituents. In particular, I met a local farmer some months ago who employs 52 people on the national minimum wage for unskilled work. Of those 52 people, 40 are foreign workers from eastern Europe. When I asked him why that was the case, he said that our young people lacked a work ethic. In many cases, he had interviewed people but when they had considered the job and checked the numbers, they realised that they would be worse off if they took the job as opposed to staying on welfare.

Our welfare budgets have rocketed in such a way that today, 2 million children are growing up in households where no one works. Incredibly, the proportion of working-age adults living in poverty is the highest since records began. Worklessness and benefit dependency is costing our country a fortune. This entrenched poverty and worklessness throughout Britain is bad for benefit recipients and bad for society, and often leads to higher levels of debt, family breakdown, and alcohol and drug abuse.

At the heart of the problem is the lack of work incentives. We have a proliferation of benefits that makes the system so complex that people do not know whether they would be better off in work than out of work. I went to my local jobcentre a few months ago and asked the staff how long it would take them to tell somebody if they would be better off in work if they came in and said that they could get a part-time job tomorrow for 10 hours a week on the minimum wage. The answer was that it would take 90 minutes on average. They added that even when they give an answer

[Sajid Javid]

and it happens to be yes—in many cases it is no—because it takes so long, many people have so little faith in the answer that they decide not to work in any case. That has to change.

We cannot address only the symptoms of poverty and worklessness; we have to address the causes, such as welfare dependency, educational failure, addiction, debt and family breakdown.

I will highlight three areas of the Bill that I believe represent the right way forward. The universal credit is the most important part of the Bill, because it will ensure that everyone is better off in work than out of work. The taper relief, at 65%, strikes a good balance between budgetary pressures and giving the right incentive to work. However, I hope that in the longer term, Ministers will look again at that rate with a view to reducing it. I caution that in implementing the universal credit, Ministers should look carefully at the IT systems, because they will have to work with other agencies, including Her Majesty's Revenue and Customs. Many previous Governments have bungled new IT systems in terms of time or cost. This therefore has to be considered carefully. So does the passporting of benefits, to ensure that the nature of the taper relief is maintained and there are no cliff edges.

I also wish to highlight the changes to housing benefit, which are welcome because for the first time, they will ensure that people on housing benefit cannot live in properties that ordinary working people would have no prospect of being able to afford. That was a commitment in the Labour party's manifesto, and I hope that all Members wholeheartedly endorse it.

The change to the consumer prices index for the uprating of housing benefit is also welcome, partly because it will save £300 million a year and we have to find savings given the budgetary pressures. Also, as such a huge proportion of people in social housing receive housing benefit, it may lead to a change in the rents demanded. Finally, I wish to highlight the welfare cap, which will be £500 a week for couples, meaning that no family can earn more than £26,000 a year in benefits net, or £35,000 gross, which happens to be equal to the national average household wage.

In summary, the Bill is a huge step forward in creating an opportunity society. It restores the dignity of labour and ensures that the Government will be standing behind people in case they fall, to help cushion that fall, but will not be in front of them to prevent them from progressing and meeting their ambitions and aspirations.

4.6 pm

Yvonne Fovargue (Makerfield) (Lab): Like many other Members, I welcome the concept of simplicity in the welfare system—of which I have experience, having worked in it. I also welcome the aim of ensuring that work is a route out of poverty. However, I do not believe that the Bill demonstrates fully how that will be achieved. Among two groups in particular, it could actually increase the number of people falling into poverty and debt. Like others, I am seriously concerned that people who are ill or have an accident, and have to take prolonged time off work, will suddenly be negatively affected by the plans to replace disability living allowance with the personal independence payment and by the changes to employment and support allowance, and will get less help from the universal credit, particularly during the first six months of their illness or disability.

People in that situation are coping with significant stress and coming to terms with a fundamental change in circumstances, as well as a sudden and dramatic drop in income. I had worked out some examples, but I shall not have time to give them. Suffice it to say that in months three to six, a single person who has worked all their life but has had a stroke and can no longer work is likely to be more than £130 a week worse off unless the qualifying period for the personal independence payment is brought forward to three months.

The importance of the severe disability premium cannot be overstated. It is a source of extra help for people who do not have a carer and have higher costs because of that. If it is not included in the Bill, the drop in income for hard-working people who suffer a life-changing illness or disability will be catastrophic. If they have a mortgage, the position will be even worse. Almost 20% of the people who attended an advice desk run by the citizens advice bureau at the county court said that an illness was the major factor in their falling into mortgage arrears, putting them at risk of losing their home. No fewer than three measures in the Bill will substantially reduce the amount of financial support available to people in that situation.

I now turn to families, particularly those paying for formal child care. If, as has been suggested, only 70% of child care costs are covered, many second earners on a low income will not have a realistic option of returning to work until their children are older and need less care. In some cases it could cost people money to return to work, which was not the intention behind the Bill at all. In fact, somebody's problems might start not when their baby is born, as is usual, but when statutory maternity pay or maternity allowance is paid, because it is unclear in the Bill whether that will be treated as "income other than earnings" and lost pound for pound.

Clarification is also needed on other issues, such as whether benefit will be paid to the household rather than to the main carer. That is a big issue for many families.

Ian Paisley: Does the hon. Lady accept that there is a huge policy contradiction? The Government claim that they want to eliminate child poverty, yet at the same time they want to cut the social security payments that go right to the heart of benefiting children from low-income households.

Yvonne Fovargue: I totally agree with the hon. Gentleman, and I have evidence that some lone parents will not be able to work their way out of poverty.

To return to the question of to whom benefits are paid, I have seen mothers whose only source of stable, reliable income is child benefit, and many more mothers who do not know what their partners earn and who are given an allowance every week. That problem will be exacerbated if benefit is paid to main wage earner, which is usually the man.

Finally, if there is a query about one element of a claim there is often a delay, particularly when housing benefit and private landlords are involved. I can only hope that the other elements of the universal credit will be paid while such matters are investigated, and that the benefit is not so universal as to be "all or nothing" in such cases.

On sanctions, it is quite right that people refusing reasonable work should be penalised, as indeed they are under the current system. However, I urge the Government to ensure that great care is taken when sanctioning vulnerable claimants. For example, I dealt with a client who was sanctioned for not turning up for an interview to discuss his claim. Hon. Members might think that that is perfectly reasonable, but that client was in a secure institution—a secure mental health unit—and the letter requiring him to turn up for interview was sent there.

The £50 civil penalty for claimant error should be withdrawn. I am sure that, like me, many hon. Members deal almost daily with constituents who have been the victims of official error. The focus on claimant error is out of proportion. People who claim those benefits include the most vulnerable people in our society. They are the most likely to make errors, particularly with official forms, and the least likely to be able to afford the penalties. We should not simplify the benefit alone; the claiming process should also be simplified.

I hope that the amendment will be supported, because the Bill lacks clarity and detail. In fact, it will have the opposite effect of what is intended in terms of the Government's stated broader goals and obligations, such as making work pay, reducing child poverty and protecting vulnerable groups.

4.12 pm

Harriett Baldwin (West Worcestershire) (Con): This is a profoundly important Bill. It is born out of the Secretary of State's deep passion for helping people to get out of poverty—he has spent the last decade looking at that. There are few ways in which people who are born and grow up in poverty can find a way out. I can think of some, but winning the lottery does not happen very often and it is unlikely that someone will get a surprise inheritance from a relative whom they did not know existed. Marrying a top footballer is rare, and it would probably be quite hard work. The hon. Member for Makerfield (Yvonne Fovargue) spoke of work as "a" route out of poverty, but it is "the" route out. If Opposition Members have alternatives to work as a route out of poverty, I would be interested to hear of them.

The Bill removes the barriers that the welfare system puts in the way of people working their way out of poverty, which is important. We must recognise—this is why I am so disappointed that Opposition Members will not support Second Reading—that there are many barriers in the system's construction that prevent people from getting the important message that they need to go out to find a job and to work, and that that is how they will improve their economic circumstances.

Ian Paisley: I appreciate what the hon. Lady says about people who are able-bodied and who can work working their way out of poverty, but how do people find their way out of poverty if their impoverishment is a result of disability?

Harriett Baldwin: As the hon. Gentleman knows, there are many provisions in our welfare system for exactly that sort of situation. I do not think that anyone is suggesting that people with no capacity for work should get out and work. We should have a generous safety net, as we do for people in those situations.

However, the system as currently constructed has many barriers that send the message that taking on full-time work is not worth while. With single parents facing a withdrawal rate of 96%, what kind of message does that send to people about the sense in going to work? We have all met people who work 16 hours a week. As we know, the way that working tax credits work gives people an incentive to find a job working 16 hours a week. At the moment, those working 15 or 17 hours a week find themselves financially worse off. That is why it is so important that the Bill tackles those cliff edges, ensuring a much smoother process and a linear relationship between the time that people work and the amount that they take home. At the end of the day, we all respond to the financial incentives that are inherent in the system.

As we heard earlier, the current benefits system also pays couples more to live apart than to stay together. I believe that I am right in saying that 2 million people in this country would identify themselves as being in a relationship but living apart. No one can deny that, in large part, that is down to the messages and the financial incentives sent through the welfare system, which will be reformed by this Bill.

I am sure that Opposition Members will welcome the fact that the distributional analysis of the universal credit shows that the vast proportion of additional money in the system will go to those in the lowest income deciles, with 85% going to those in the four lowest-paid deciles.

I should point out, however, to the Secretary of State that it was still a shock to realise that even under the changes that we are discussing today, the benefit withdrawal rates for those going into work will still be 65p in the pound. That is still a shockingly high marginal deduction rate, when our higher-rate taxpayers are on 51% or 52%. The Child Poverty Action Group, the Centre for Social Justice and Family Action have all argued for a withdrawal rate of 55%, with Save the Children arguing for a 50% withdrawal rate. I hope that everyone in the House will welcome the fact that the Bill gives the Chancellor in future the ability to stand at the Dispatch Box and say that he is making a change in the marginal withdrawal rate, because we would all like it to be reduced over time.

Naomi Long: I acknowledge what the hon. Lady says about the Bill giving the Chancellor the freedom to do that, but it does not require him to do it. Would it not provide people with more certainty if the Government indicated that that were the intention?

Harriett Baldwin: I think that we have heard the Secretary of State put that on the record on a number of occasions.

There are a few debating points that have arisen in this debate, particularly from the Opposition, that I would like to address in my few remaining minutes. On savers, we can have a debate about whether someone with £16,000 in savings ought to be in the benefits system, but we should all recognise that the welfare system should focus on those on the lowest incomes and with the lowest savings. That is one of the difficult decisions that it is worth tackling, and the Bill does that.

Stephen Timms (East Ham) (Lab): That feature of the proposals will mean that, as a fine simply for having £16,000 in the bank, people will lose all their tax credits, which could amount to £5,000 a year. Surely that is not right.

Harriett Baldwin: The right hon. Gentleman probably also supports the proposition that I should continue to receive child benefit. We need to make these decisions, and they need to focus on certain levels of savings.

Passported benefits, on the other hand, are something that we will need to discuss in great detail. I hope that the Committee will do that, because things such as free school meals, which at the moment are passported in with other benefits, are also a trigger for early years payments for schools and the pupil premium. It will therefore be particularly important to have clarity about how free school meals are going to work in the future. Personally, I would favour putting that in with the universal credit, where it would be affected by the same withdrawal rates.

Another good point that has been raised in the debate was about entrepreneurs. We must ensure that people do not hear from the benefits system a message against entrepreneurial behaviour. The Committee needs to look closely at how the imputed income of new business start-ups will be treated for benefit purposes.

We have heard allegations that the Bill has been rushed. I disagree. We are talking today about changes that will not even come into effect until 2013. However, I agree with my hon. Friend the Member for Wolverhampton South West (Paul Uppal) that they cannot come soon enough, although I know that a major computer system needs to be changed. I welcome the measures in the Bill and I look forward to supporting its Second Reading.

4.21 pm

Mrs Anne McGuire (Stirling) (Lab): I am delighted to follow the hon. Member for West Worcestershire (Harriett Baldwin). In June last year, I made a contribution to a debate in the House on welfare reform, in which I congratulated the Secretary of State, then new to his post, on the sentiments that he had expressed on reforming the welfare system in this country. At that time, I said that he had used a broad brush, and that we had not yet seen any details. Frankly, we still find ourselves in that situation today.

Like other Labour Members, I welcome some aspects of the Bill. The introduction of the universal credit and the moves towards simplification are certainly proposals that we can endorse. Most of us, and most of the organisations that we communicate with, welcome those developments, but there is still serious concern about significant aspects of the Bill. In the time available to me, I want to concentrate on just a couple of those aspects.

First, the Bill is skeletal in the extreme. The clauses have definitely been drafted with a broad brush, declaring an intent rather than giving details of what will happen. For example, what exactly does

> "benefit rates for people not in work will generally be the same as under the current system"

mean? How will "generally" impact on the specific? How will individuals know, when deciding whether to support the Bill, what is actually going to happen if work is not a realistic option for them? I have rarely seen a Bill in which so much depends on regulations that "may" happen—*[Interruption.]* I do not know which hon. Gentleman is chuntering over there, but I can give the House an example from clause 4 on entitlement. Subsection (2) contains the words "Regulations may provide", and subsection (3) states that "regulations may specify". Subsection (7) states that "regulations may specify circumstances". And so it goes on.

We are not being asked to deal with a major piece of welfare reform here; we are being asked to buy a pig in a poke. We do not know the details. The Secretary of State made great play of the fact that this will form a contract. Well, in all contracts, the devil is in the detail. I welcome the comment of my right hon. Friend the Member for Birmingham, Hodge Hill (Mr Byrne) today that he is not prepared to sign up to the Second Reading of the Bill until we have seen the details. We have so many unanswered questions. What will happen when council tax benefit is abolished? Is it going to be replaced by a grant? How will that be assessed? How is it going to be managed?

I must point out to Conservative Members that it is not only in Labour constituencies that the Bill will have an impact. It will do so in the constituencies of Members across the Floor of the House, and individuals in those constituencies are now worrying about whether they will be able to maintain themselves in their own homes. What will happen to those who fall off the edge when their employment and support allowance runs out? Surely it is the right of any disabled individual in a civilised society to be supported if they are unable to work. Frankly, the Secretary of State's comment about reviewing people whose impairment will not change throughout their lifetime was absolutely astonishing, and I think it did him no great credit. I would not like to explain to the parent of a deaf-blind child that they needed to bring their child for a review every so often—just to make sure that the child was still deaf and still blind.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): Like my right hon. Friend, I have received representations from many constituents who have a similar concern. Does she agree that, regrettably, those parents who have heard the Secretary of State today are likely to be even more worried than they were at the start of the debate by his very refusal to rule out the type of continued reassessment about which we are so concerned?

Mrs McGuire: I agree wholeheartedly with my hon. Friend. I believe that this is one of the issues causing the greatest concern among individuals and families.

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller) *rose—*

Mrs McGuire: If the Minister is going to clarify what the Secretary of State said earlier, I would be delighted to give way to her.

Maria Miller: I just wanted to clarify that these measures do not affect children.

Mrs McGuire: In that case, we can take the age forward and talk about a deaf-blind adult. Our case about people whose impairments or disabilities will not change and who can be assessed as such is not at all diminished, as they will still have to go through this review.

The type of review is also an important issue. For a long time, disabled people in this country have fought hard to be recognised as part of a social model of disability. What we are seeing now is the introduction of an assessment by a medical professional. Is it any wonder that disabled people out there are beginning to think that all those things for which they fought so long and so hard—the achievements they have made over the last 15 years, with cross-party support—are going to be thrown on the scrapheap? That, I think, is the danger posed by this Bill, and I have highlighted the questions that disabled people are asking.

The Minister might well be thinking that all this is a matter of hyperbole. I do not think it is, and I know that many of my hon. Friends would agree, because we are hearing daily quite tragic stories about people who are terrified about what is going to happen. They are worried not necessarily because the Government have bad intent, but because the Government are not explaining exactly what is in the Bill. I do not think that the Minister has bad intent and I certainly do not think that the Secretary of State has, but given that they are embarking on something that will radically affect individual people and families, we must have a better Bill than the one before us.

The Secretary of State is often cited as saying that this Bill amounts to the greatest change in the welfare system since Beveridge. The reason why Beveridge worked and was sustained for so long was that it was about engagement with the whole of society. It was about a contract that people recognised, knowing that if they put something into society, they could occasionally get something back—not just a cushion, but something that gave them a participatory role in that social contract. What we have now is a deconstruction of those Beveridge proposals. What we have is a system that effectively tells people that they cannot have welfare unless they meet all the criteria, which are not even known, in a Bill that is far more skeletal than many of—indeed, any of—the welfare Bills brought before this House.

We should not give the Bill its Second Reading today. If the Minister can tell us in her summing up that all those issues will be dealt with in Committee, we might be able to give the Government the benefit of the doubt later in the process. I welcome, however, the view of my right hon. Friend the Member for Birmingham, Hodge Hill, the shadow Secretary of State, that if the Bill is not radically changed and if its contents are not confirmed, we should not support it even on Third Reading.

4.29 pm

Mr John Leech (Manchester, Withington) (LD): I am delighted to have the opportunity to contribute to this important debate on the future of the benefits system.

I think that the whole House would agree that the way in which a Government treat the most vulnerable will always be a good measure of whether they can claim to have been fair. When the last Labour Government failed to restore the link between pensions and earnings during their 13 years in power and introduced the infamously derisory 75p pension increase, people rightly saw that as unfair. Similarly, their cut in benefits for single parents—described by one former Labour Member of Parliament for Halifax as "punitive and cruel"—was vindictive and unfair.

If the coalition Government are to be able to make that claim of fairness, we must ensure that we protect the most vulnerable. We have made a good start by restoring the link between pensions and earnings with the triple lock and committing ourselves to raising the personal allowance to take hundreds of thousands of the most poorly paid out of tax altogether. However, changes in the benefits system present a real challenge. If the Bill is not amended during its passage, it will certainly not receive my support.

I want to concentrate on housing benefit and possible changes in disability living allowance. Let me begin with the positives. Ministers in the Department for Work and Pensions have certainly been listening. I have had the opportunity to meet all of them to discuss the proposed changes and am pleased that the plans to restrict housing benefit to 90% of the full award after 12 months for claimants on jobseeker's allowance have been abandoned. That terrible idea would have resulted in numerous people who were actively seeking work being worse off through no fault of their own. Many people and organisations inside and outside the House have worked hard to ensure that that does not happen, and I am glad that Ministers have recognised that it would have caused real hardship for many vulnerable people.

A great deal of attention has been paid to the proposal to remove the mobility component of disability living allowance from people in residential care. Last month, in an interview in *The Guardian*, the Minister sought to reassure disabled people in care homes and their families that the Government would not remove their ability to get out and about. I have no doubt that that is the Government's intention and welcome their commitment to reconsider the proposal. Unfortunately, I do not share the Minister's optimism that the mobility needs of those in care homes will be met if disability living allowance or its replacement is taken away, and I urge her to abandon any such plans.

The proposal has caused concern to organisations such as the Muscular Dystrophy Campaign, whose petition I submitted to Parliament only last night. The petition stated that the mobility component

> "helps to meet the higher costs of accessible public transport".

It also stated that

> "without DLA mobility component, thousands of adults of all ages with severe disabilities who are supported by the state to live in residential care will be unable to retain voluntary employment or simply to visit family and friends".

I urge the Minister to ensure that that does not happen.

Ian Paisley: I agree with much of what the hon. Gentleman has said. Does he believe that linking benefits to the lower consumer prices index rather than the retail prices index is "punitive" and "unfair" to those who have to claim benefit?

Mr Leech: I was just coming to that. Yes, I do think it is unfair.

The Bill proposes that from April 2013 the local housing allowance should be uprated in line with the consumer prices index rather than real rent increases.

[Mr Leech]

I shall avoid the temptation to reopen the debate about whether RPI or CPI is a better measure to use. I merely point out that the Government do themselves no favours by picking and choosing which measure to use. If CPI is a better measure of inflation, we should not allow train operating companies to increase train fares in line with RPI, but that is a debate for another time. I recognise that the current arrangements do little to keep rents low, but there is a real danger that rents will increase at a much faster rate than CPI. The Government must be prepared to keep a watching brief on increases in rent and to take further action if the changes fail to keep housing benefit in line with rent increases.

I do not think that any Member has raised the issue of under-occupation so far. The decision to restrict housing benefit in social rented homes when tenants are under-occupying properties is ill thought out, and will cause significant hardship to many families who are existing tenants. I recognise that this is designed to bring housing benefit for social-rented property into line with the private-rented sector, but it does not take into consideration local circumstances. In Manchester, for example, under existing rules a family with one child is entitled to queue for a two or three-bedroom property. That is intended to allow for the possible growth of young families and reduce the need for future moves caused by overcrowding. Similarly, in low or no-demand areas where there are a lot of two-bedroom flats, property has been provided to single people or childless couples either to allow children who live elsewhere to visit, or simply to fill the vacancies in hard-to-let properties. As a result, a significant number of families on housing benefit could face a reduction in benefit through no fault of their own. We need to look at this again and recognise that a one-size-fits-all approach will not work. I suggest at the very least applying a gross under-occupation test whereby restrictions to housing benefit could be applied if more than two rooms were unoccupied.

Mark Lazarowicz: Another possible circumstance could arise where people who have been in work all their lives and have never had to claim any benefit suddenly find that after 20 or 30 years they have to apply for housing benefit and face the prospect of having to leave the house that they have lived in for decades. Would that not be extremely inhumane as well?

Mr Leech: Yes, that is true, and it might lead to people being forced to go into private rented accommodation and not having a protected tenancy.

I want to comment on the proposals to cap benefit at £500 a week for families and £350 for a single person with no children. I recognise that a cap on benefit is justifiable to make work pay, but the cap should exclude housing benefit costs, which can vary dramatically in different parts of the country. Given that the cap on housing benefit for four-bedroom houses will be £400 a week, large families might be expected to survive on as little as £100 per week if total benefit is capped at £500 a week. Under other proposed changes, homeless families will receive only one reasonable offer, which might be of a private rented property that could swallow up the vast majority of their total benefit entitlement. The answer to this problem is to calculate a maximum benefit excluding housing benefit to ensure that families in receipt of benefit have enough to live on, regardless of the cost of housing locally. That is the only way to guarantee that they will have enough to live on.

Finally, although this point is not directly related to the Bill's contents, I suggest to Ministers that the best way to tackle escalating housing benefit would be to invest properly in affordable social housing and bring more empty homes back into use. That would not only massively boost the construction industry but help reduce rents in the private sector, which is holding tenants to ransom. There would be a short-term cost, but it would give a major boost to the economy and there would be a long-term reduction in housing benefit costs.

4.38 pm

Geraint Davies (Swansea West) (Lab/Co-op): This is a mean-minded, ill-thought-out Bill that is not designed to promote fairness or help people into work. Rather, its purpose is to punish the poor, the disabled, those with children, those trying to save and those starting a small business for the cost of the greed and recklessness of City bankers, who created our deficit. That is laid at the door of the poor, while those responsible indulge in sharing £8 billion of banker bonuses under a system propped up by the taxpayer, whereby if risks go wrong the public pay and if they go right the bankers profit.

Steve Baker (Wycombe) (Con): I share the hon. Gentleman's sense that the banking system is responsible for the greatest injustices in our society, which I fight often, but, as has been pointed out, these reforms long predate the banking crisis.

Geraint Davies: I shall come on to the reforms.

The deficit was the price paid to avoid a depression, and the Government had a clear choice: they could halve the deficit in four years by focusing on economic growth and making the bankers pay their fair share while also making savings over time that are fair and do not harm economic growth. The alternative, which the Government have chosen, was to cut the deficit at twice that pace, clearing it in half the time—in four years. That is a "formidable" challenge, according to the Institute for Fiscal Studies, which says that the Government need a plan B.

There is an over-reliance on savage cuts, particularly to public sector jobs and the welfare benefits we are considering today. That will throw whole communities into poverty, with a third of a million public sector redundancies triggering a further 1 million private sector job losses, which will cost an extra £7 billion a year in benefit costs and lost tax. The benefits of those thrown on to the dole will be cut, forcing them, in the worst instances, into community projects like criminals when they cannot find work. Why is this happening? It is happening because the Government have thrown a bucket of water over the embers of economic growth that Labour had kindled.

Mr Heald: That is a nice soundbite, but the policy will cost the taxpayer money. The hon. Gentleman seems to think that it is not giving money to people at the bottom of the pile, but we are talking about £2.6 billion to help poor people into work.

Geraint Davies: The Bill will cost around £4 billion to implement, and save some £18 billion by taking from the poorest families. The Government's plans are incompetent, unfair and counter-productive. The fact is that the cuts are choking growth and VAT is stoking inflation, and both are pushing the deficit up, not down. In Germany the focus is on growth, not cuts, and growth continues apace. In Britain, of course, growth is negative—and it is not just the snow. Alongside the £4 billion cost of the Bill is the £4 billion cost of dismantling the health service and the £7 billion lost through the unemployment created by the job cuts, and so it goes on.

What is the impact on people in Swansea? Some 40% of its workers are employed in the public sector. We face the second highest level of job cuts and very large benefit cuts. Some 65% of people employed in the public sector are women, and the combination of cuts in jobs and welfare payments will impact on families in particular as they pay their share of the £18 billion in savings that will be made.

The Bill will hurt children, the disabled and enterprise. Let us consider a Swansea woman with children who works for the council and is made redundant. She has savings of £18,000 and, being an enterprising person, wants to start her own business. She will get no benefits, of course, because she has saved more than £16,000 in good faith. She will have no wage, but she will be assumed to be getting the minimum wage as she is starting a business. Her business will face various start-up costs, such as a computer, setting up a website and promotional literature. She will be penalised for being a worker, penalised for being a saver and penalised for being an entrepreneur.

Let us assume for a moment that the woman is successful, despite those barriers. She will be threatened with the loss of her council house if she earns too much—hardly an incentive for people on council estates to start their own businesses. Let us say that she is in her second marriage and she and her husband have five children. Her husband was also employed by the council—they met working there—and both were made redundant. They have five children, so they have nearly £500 of personal benefits in addition to £200 in housing benefit, which means they get £700 in total. The £500 cap is imposed on them, so they are forced to split up. They now live in separate council houses, each drawing £200 in housing benefit, with one parent looking after three children and the other looking after the other two. This is a recipe not just for destroying jobs and crushing entrepreneurial activity, but for splitting up homes and increasing the cost to the Exchequer to £900 when it was £700.

The Government's approach in Swansea and elsewhere in Britain will make people jobless, make them poorer, break up families, crush enterprise, punish saving and harm children and the disabled. This is a Bill born not out of fair-mindedness and enlightenment, but an unnecessary and unwise economic strategy of cutting too far too fast and punishing the poor for the reckless greed of the bankers. It should be opposed so that we can go back to the drawing board and think again.

4.44 pm

Julian Sturdy (York Outer) (Con): It is a privilege to speak in this debate, and I strongly suspect that our exchanges in the House are being replicated across our country, such is the importance of this matter. People rightly care passionately about Britain's welfare system, as has been evident from hon. Members' contributions, but I cannot quite agree with the most recent comments made by the hon. Member for Swansea West (Geraint Davies).

A society's willingness and ability to help its most vulnerable individuals is a measure of its compassion and its economic and social well-being. Ensuring that Britain has an efficient, fair and caring welfare system is key. We do not necessarily have that at the moment, which is why radical and bold change is badly required. I am delighted to support the Bill, as it is radical and bold.

To accept the need for such reform, we must wake up to the facts. Over the past 10 years the welfare budget has grown disproportionately, by more than £56 billion. Despite that huge increase, almost 1.5 million people have been on out-of-work benefits for nine of those 10 years. Despite years of economic growth, job creation and increases in the welfare budget, a whole group of people have never worked at all. It is therefore time to review this broken system. After all, the simple truth is that Britain's welfare arteries are clogged up. Too little support is reaching those truly in need and too much is being lost in bureaucratic incompetence—even more worryingly, it is being lost on people who should not be in receipt of such support at all.

In essence, the whole culture of our welfare system is wrong; the cost of maintaining it is out of control and the decision-making processes within it are woefully inefficient. The Bill is therefore right to focus on incentivising pathways back to work by ensuring that employment always pays more than benefits. That is fundamental to the Bill and, as a simple Yorkshire man, I feel that it is basic common sense.

Chris Williamson (Derby North) (Lab): Would the hon. Gentleman care to comment on the fact that his Government are cutting 1 million jobs in our economy—500,000 in the public sector, with a further 500,000 to go in the private sector as a consequence? If he genuinely believes that work is a pathway out of poverty, why does he support measures that will cause greater unemployment rather than enable people to get back into work? He has expressed concern about people who have been out of work for a long time, but they would be more likely to get an opportunity of employment in the public sector if his Government were not forcing through so many cuts.

Julian Sturdy: I agree that this Bill offers an important pathway back to work. We have to get more jobs in the private sector and restore the balance between public and private sector jobs, which was skewed by the previous Government—certainly in my region and in the north especially. The measures that this Government are introducing—I hope we will see more of them in the Budget—will incentivise private sector growth and job creation which, alongside the Bill, will get more people back into work.

It is a sad but well-known fact that the current system discourages those in low-paid jobs from increasing their hours, as rates of tax and benefit reductions often leave them worse off. This ridiculous situation helps only to dampen aspiration while increasing dependency in the benefits system as a whole. In addition, hard-working, taxpaying families, who are feeling the squeeze in these difficult economic times, should not subsidise the small but still significant number of people in our society who see the welfare system as a career choice. That must stop. By annually capping benefits, withdrawing support from those who refuse to work and increasing the financial incentives for those who do work, the Bill includes specific measures that will make work pay.

Naomi Long: I agree with the hon. Gentleman on the need to change the system to ensure that people do not aspire to live on benefits, but is that not more about changing people's aspirations and their pathways to opportunity, rather than simply setting caps and putting difficulties in the way of those claiming benefit when they are in difficulty?

Julian Sturdy: It is about changing aspiration, which is what the Bill does. As my hon. Friend the Member for Meon Valley (George Hollingbery) said, it is about taking a carrot-and-stick approach. It is important to have certain caps on benefits, but we must also encourage aspiration to get people back into work. The current system did not do that. Instead, it dampened aspiration, which is why it is fundamentally important that we change the system. As many hon. Members have said, it is a case of now or never—we must grasp the nettle. The DWP estimates that the reforms could reduce the number of workless households by as many as 300,000 and that about 700,000 low-earning workers will be better off as they keep more of their earnings.

Administrative reform to our welfare system is long overdue; it is simply wrong that taxpayers' money should be squandered recklessly as often happened under the previous Government. The creation of the universal credit, which will bring together various and often overlapping elements, such as jobseeker's allowance, income support and housing benefit, and pay them in a single lump sum will cut administrative costs and reduce the risk of fraud. It is predicted that, as a result of the universal credit, just over 2.5 million households will receive higher entitlements, with more than 350,000 children and 500,000 working-age adults being lifted out of poverty altogether, as the shadow Secretary of State acknowledged earlier. That was the only thing he said that I agreed with, but it is important to mention that acknowledgement.

Lastly, and returning to my initial comments, the overriding objective of the Bill must be better to protect, equip and support the most vulnerable in our society. Too many of this country's welfare resources have been diluted and too little has been directed at those in most need. To maintain the status quo would be to champion the cycle of dependency and despair that Britain's welfare culture, as constructed by the Labour party, currently promotes. I know that many welfare claimants are apprehensive about the Government's changes, but let the message go out loud and clear that those who are truly in need will receive more support, better targeted assistance and higher standards of care. I truly believe that is the motivation underlying the reforms and I strongly urge all Members to support this important Bill.

4.52 pm

John McDonnell (Hayes and Harlington) (Lab): I have sat through the debate and listened to the contributions and I will try to address some of the points raised. First, let me say that no one in the House doubts the integrity of the Secretary of State. I commend him for the work he did in opposition in setting up various working parties, touring around and meeting various agencies. He met a particularly influential person in Scotland, Bob Holman—a comrade of ours who knows a lot about poverty and who has expressed his disquiet about the proposals. Also, a number of us have been campaigners for the citizen's income, which I think the universal credit is a step towards, so I do not doubt the Secretary of State's good intentions.

However, as we have debated at length over the years, if the universal credit is to work, three conditions need to be met. First, it needs to be set at a level that will lift people out of poverty; otherwise it will inflict universal misery. Secondly, there have to be jobs to go into. Thirdly, those jobs must have decent pay. The problem with the Bill is that it does not ensure that any of those conditions will be met. In that respect, it discredits the whole concept of the universal credit, which I find worrying.

On the first condition, I am worried about the amount being taken out of the social security system. In the comprehensive spending review in October, and before that in the emergency Budget, the Chancellor identified £18 billion that was being taken out of the system. When the Prime Minister was challenged about that, he said:

> "We face a choice—make cuts in welfare or cuts elsewhere".

I believe that is happening—that we are witnessing cuts in welfare. When the Under-Secretary of State for Work and Pensions, the hon. Member for Basingstoke (Maria Miller), was asked specifically about the disability living allowance cuts, we were told that the figure of £1 billion of cuts—or savings, depending on how one wants to describe them—had been set before any policy description had been laid out as to how they would be achieved. I think the Prime Minister and the Government did make that choice, because at the same time as the Government were taking £18 billion out of welfare they were reducing corporation taxes by £24 billion. Businesses are now taxed at the lowest level in 40 years, at the expense of the poor.

The debate then starts to degenerate, as it has in the House today, into attacking unemployed claimants as a justification for cuts. I remember the Deputy Prime Minister's statements about alarm clock Britain, and today we have heard references to shirkers and so on. I have come to the view, and all the Government research under past Governments has demonstrated, that people are desperate to get back to work. Sanctions do exist already, and are implemented if people fail to comply.

Reference has been made to fraud. Let us get it on the record again: £1.5 billion of fraud, £16 billion of benefits unclaimed. Who is ripping off the system? It is not the poor. As was said earlier, £120 billion of tax has not been paid as a result of tax evasion and avoidance.

On the second condition—the existence of jobs to go to—with 2.5 million unemployed, including 1 million youngsters, even if we filled all the 500,000 vacancies, there would still be one in four chasing every vacancy, and it is going to be made worse, as was also said earlier. Another 1.2 million will be put on the dole queue as a result of the cuts.

On decent pay, I have asked others what is happening in their constituencies, but the jobs offered at the moment in my constituency are increasingly casual and increasingly low-paid, and large numbers of my constituents are now working on zero hours contracts, in which they are simply paid for the hours that they are brought in to do, on an irregular basis. According to the most recent survey, published only a month ago and based on Government figures, 1.7 million people are now in involuntary part-time and temporary work, and wages are so low that half the children living in poverty are in families that are in work. Even in the boom period, wages actually fell as a percentage of GDP. Last month, RPI was at 5.1% and wages were at 2.3%, and many in my constituency and elsewhere, especially in the public sector, are facing a pay freeze over the next two years. The reasons for the low pay are fairly straightforward. We now have less than a third of workers in this country covered by collective bargaining agreements, as a result of the weakening of trade union rights.

My fear is that, under these proposals, universal credit will fail, because none of the elements are in place to make it a success—a decent level of universal credit, the existence of jobs, or decent pay in those jobs. I think we will be left with the harsh residue of all the complaints and problems that have been described today: the sanctions—the loss of benefit for up to three years if a person refuses to co-operate in seeking work; cuts in housing benefit; the linkage of the housing allowance to CPI, which will inevitably result in cuts; the housing benefit caps; and the room unoccupied scheme, which I think is scandalous. All those factors will discredit a decent proposal, and that is why the Bill is not supportable today.

I want to use my last few seconds to say how appalled I am by the brutalisation of claimants by the privatised companies that have taken over the assessments and the administration of benefits. The brutal treatment of my constituents is a harshness that denigrates the entirety of the work of the House and the Government.

4.58 pm

Jackie Doyle-Price (Thurrock) (Con): I am very proud of the measures before us. The Bill is one of the most important pieces of legislation that the Government have brought forward to date. It has the opportunity to have a revolutionary impact, not only on the welfare system but on society more generally. It will contribute to building a fairer society—fairer for the millions of taxpayers, many of them on modest incomes, whose taxes are inflated by having to support the current welfare system, and fairer to claimants. It is fair that we target support to those most in need and fair that we give those who are fit and able to work every encouragement to do so.

I shall focus most of my comments on the universal credit and the impact that it will have on incentives to work. There are too many people in our society for whom work does not pay. In those circumstances, who can blame them for choosing not to work? It is a rational economic choice. If they can get as much income from sitting at home as they would from doing a day's work, where is the incentive?

We must all have seen examples of that in our surgeries—the lone parent who wants to provide for herself and her family, but finds that the cost of child care and the loss of housing benefit make it more costly to go to work than to stay at home; someone who finds a job, then discovers that the rate at which they lose their housing benefit makes work punitive; someone on incapacity benefit trying to work part time around their disability, who finds their benefits withdrawn or clawed back, so that they are better off doing nothing; someone who has had a substantial career, finds they are no longer able to do that and wants to retrain, but who has their benefits withdrawn as they are judged not to be seeking work. All that must stop, and the Work programme will give incentives to those who want to get back into work, and the support and opportunity to do so.

We must repair decades of damage. It is easy for us on the Government Benches to blame the Opposition, but the problem goes back decades. The system has grown incrementally and the damage is there for all to see. In some households, generation after generation have failed to engage in the world of work. This has encouraged ongoing low aspiration and poor lifestyle choices. Some of my hon. Friends gave examples of that. My hon. Friend the Member for Wolverhampton South West (Paul Uppal) described how, when he was at school, there were two distinct camps—those who aspired to better themselves, and those who aspired just to live on benefits. I see the right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett) in his place. As someone who grew up on a council estate in his constituency, I had that experience too. We need to build aspiration, and we have policies in place to achieve that. The reform to welfare is crucial to getting our society working again. The reforms will set people free from dependency and set them free to take advantage of the opportunities that we will give them.

I want to say something about an end to the complex system of tax credits. I appreciate that the introduction of tax credits was well intentioned as a way of alleviating poverty for people in work, but they have had the opposite effect. That is because the system is retrospective, so people apply for tax credits in good faith, only to be faced with a whopping tax bill the following year because of a slight change in circumstances. That problem will be eradicated by the universal credit because it will be assessed on a pay-as-you-go basis, and for that reason must be welcomed.

I firmly endorse the benefit cap. Far too many of my constituents work hard and pay taxes, only to see their near neighbours enjoy a comfortable lifestyle living on benefits. I also welcome the obligations placed on claimants. As a condition of receiving benefit, people should surely do everything they reasonably can to find work. For many people that will be empowering. For someone who has been in the same job for many years and suddenly finds themselves workless, the loss of confidence can be considerable. The support that they will get from the Work programme to gain new skills will help them and give them the confidence to go back into the world of work. That will be empowering.

That is equally true of incapacity benefit claimants. Because a claimant is no longer able to do the job that they were doing before does not mean that they cannot

[Jackie Doyle-Price]

retrain and do a different job. The support they will get from the Work programme will enable them to do that, and it will be empowering.

The Bill is radical. It is brave, and it is necessary if we are to tackle the endemic culture of benefit dependency that exists in our country. It has become more and more entrenched over the years, at the expense of the workless and the taxpayer. I am pleased to support the Bill.

5.4 pm

Naomi Long (Belfast East) (Alliance): I welcome the opportunity to participate in the debate, because this issue will have profound implications for the welfare and benefit system, and will impact on all our constituents.

Time is limited, and the scope of the Bill is extensive, so I shall focus on a few key issues, the first of which is the proposed changes to disability living allowance, particularly the work capability assessment. The Government appear to place more emphasis on the independence of those who judge someone's fitness for work, rather than on their expertise, which is of concern to many people, particularly those who suffer from hidden, complex and often poorly understood conditions with variable symptoms, including autistic spectrum disorders, mental health issues and multiple sclerosis.

A medically qualified assessor may be independent, but not necessarily an expert in a particular condition. The single point assessment is unlikely to give a comprehensive view of an individual's fitness to work that is more reliable than that provided by an expert in the field who has treated and monitored the patient over a long period. The clinician will also follow professional ethics in making judgments about a patient, which provides a safeguard for the Government. If expert written evidence is available, it should be used and should carry more weight than the opinion of a benefits assessor, who may not have detailed expertise in dealing with those matters.

Dr Whiteford: As someone who represents a constituency that was part of the work capability assessment pilot, one of the biggest concerns was that the evidence of I know that someone's GP or consultant was not taken seriously by the medical assessors. Will the hon. Lady comment on that?

Naomi Long: That is a fundamental concern. One of my constituents recently came to Parliament, on behalf of the mental health charities Rethink and MindWise, to give evidence to the Select Committee on Work and Pensions about the impact of the assessment proposals on people with mental health problems. Members who met her at the round-table session would agree that she presented her evidence in a professional, competent and effective manner, as one would expect of someone with a medical degree. However, her evidence carried weight not because of her degree, but because she receives disability living allowance. She is not fit for work, and is not permitted to practise as a GP as a result of serious mental health issues, which developed in her final year of study.

If a benefits assessor, even a medically qualified one, witnessed her performance in Committee, they would doubtless assume that she was fully fit to work. However, her condition is unstable, and in periods of ill health, she is unable to leave her home or interact with people at all. Even when well, she is reluctant to take on additional stressful responsibilities because of her history of instability.

Chris Grayling: It is important, as people are listening to this debate, that the actual situation is placed on the record. Will the hon. Lady confirm that the system that she is describing is the one that we inherited from the Labour Government, which we have taken steps to change through the Harrington review? In cases where we have made changes to the assessment, the work was done by the previous Government, whose recommendations we accepted. Finally, does she accept that, at the end of all this, there is a collective desire to make sure that the system works as well as possible and that there is a commitment to continue to improve it where possible?

Naomi Long: I would like to confirm, on the first issue, that I am not making these points as a member of the Labour party or of the previous Government but as a member of the Alliance party, reflecting the concerns of my constituents. Furthermore, I would hope that there is a collective will to ensure that people are dealt with fairly in the system. However, the doubts that I am expressing to the Minister have been expressed to me by my constituents.

A problem with single point assessment needs to be taken into consideration, and I urge the Minister to look carefully at the issue. The young lady in question, for example, had a dual point assessment by the British Medical Association on her fitness to practise. One doctor said that she was fit to practise, and the other said that she was not, because of the complex nature of her condition. Neither of them was wrong when they dealt with the person in front of them, but her complex mental health condition prevented them from seeing the same individual in the same way.

I do not believe that the problem arises solely with mental health issues, but with many other conditions. People can have good days and bad days, and they may need additional support. As the Bill progresses through the House, it is hugely important that we address that issue.

Much has been said about the removal of the mobility component of the disability living allowance for those in residential care, so I will not rehearse the arguments, but I have corresponded at length on it with the Under-Secretary, and from her most recent correspondence I am aware that there is a valid concern about the inconsistent way in which the needs of some of the most vulnerable people in society are being met.

There is ambiguity and considerable variation in the way in which local authorities take the DLA mobility component into account when making financial assessments, and organisations such as Disability Alliance acknowledge that point, but having identified the problem it is incumbent on the Government to ensure that the solution does not end up disadvantaging the benefit's recipient, who did not create the difficulty in the first place. Independent mobility is crucial to well-being and to social cohesion, and it must be protected more clearly than it is in the current proposals.

Finally on DLA, I am concerned about the change to the qualifying period, and its move from six months to three months, which could have profound consequences for those who develop sudden onset conditions, such as stroke, or experience the debilitating effects of treatment for an illness, such as cancer. It could also affect those who give birth to a child with a severe disability.

At a time when people are genuinely in need, when their energy rightly needs to be focused elsewhere on coping with diagnosis, treatment and recovery, and when additional stress should be avoided, the financial pressure of dramatically increased outgoings to cover expenses, such as travel to hospital and so on, could push them into poverty if that issue is not adequately addressed. I urge the Government to look again at that unintended consequence of reform, and to take action to ensure that the personal independence payment is available to support people at a time of genuine need.

I welcome the Secretary of State's assurance on employment and support allowance for those taking oral chemotherapy. I trust, however, that he will also consider those who receive radiotherapy, which, although not as debilitating as chemotherapy, can nevertheless be exhausting and preclude people from holding down work.

Another concern that I want to touch on briefly is the abolition of some discretionary aspects of the social fund. Often, families who are trying to make ends meet on a day-to-day basis find themselves pushed into financial stress or even crisis by significant, unexpected and unavoidable expenditure. The replacement of a heating boiler, a cooker or a fridge, or the need to purchase a school uniform, for example, will often leave low-income families in a situation where only those discretionary elements of the social fund, such as interest-free crisis loans, stand between them and being forced to engage with alternative high-interest and often unscrupulous money lenders. There is an ongoing consultation on that and I urge Ministers to await its conclusion before proceeding to legislate to remove those discretionary elements.

In conclusion, and as I said at the outset, these are far-reaching reforms with far-reaching consequences. The Bill is arguably the biggest change to the welfare state since its inception, and it warrants careful and detailed parliamentary scrutiny. Despite that imperative, much of what is intended remains poorly defined and will be ultimately defined not in this Bill or in any subordinate legislation, but in regulations that the Minister will lay, which in turn will reduce the parliamentary scrutiny of their effects. That extensive reliance on unpublished regulations will make it incredibly difficult for people to make a detailed assessment of the cumulative impact of these broad and sweeping changes. The Secretary of State was clearly frustrated, too, because he felt that at times people had misunderstood the thrust of his proposals. Were there more substance to the Bill, that would be less likely.

Furthermore, the inclusion of clauses relating to child maintenance, when that matter is still the subject of public consultation, and the as yet undefined provisions on child care costs, creates uncertainty in an area—the employability of lone parents and second earners in households—that strikes at the very heart of the Government's objective to make work pay.

One of the most remarkable yet disappointing things that struck me on reading through the briefings that Members received in the run-up to the debate is that, almost without exception, those organisations that actively support and lobby in this area support the principle of the Bill. Disappointingly, however, we have not had the detail that would give people the confidence to commit to the Bill itself.

5.14 pm

Andrew Bridgen (North West Leicestershire) (Con): I welcome not only the Bill but the fact that the coalition Government have recognised the importance of dealing with the huge financial and social failures of the current welfare system. Within 10 months of being in government, we are introducing a Bill that Labour Members and the previous Government shirked for 13 years. Because of the Opposition's lack of will, we have the lamentable situation whereby welfare spending, which was £64 billion in 1997, is projected to be £109 billion this year, and 1.5 million people have spent most of the past decade on out-of-work benefits.

I have to say that I agree with the former Prime Minister, Tony Blair, who stated in 1997:

> "We have reached the limits of the public's willingness simply to fund an unreformed welfare system through ever higher taxes".

If that was true in 1997, with the golden economic legacy that the previous Labour Government were bequeathed but went on to squander, one can only surmise that, 13 years later, we are well over the limit of the public's acceptance of welfare spending. We all know what, or rather who, were the roadblocks to reform: the then Chancellor of the Exchequer, the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown), together with his protégés, the current leader of the Labour party and the current shadow Chancellor. How do we know this? Again, Mr Blair provides the answer in his memoirs when he states, with regard to welfare reform:

> "I kept saying to Gordon, quite apart from the fact that both sets of proposals are manifestly right in themselves, if we don't do them, a future Tory government will".

So here we are, as a Conservative-led coalition Government announcing the biggest and most overdue shake-up of the welfare system since the 1940s. We are replacing the previous Prime Minister's micro-managed, command, dirigiste benefits system, which has created a benefits culture that is expensive, inefficient and bureaucratic—and, perversely, provides a major disincentive to work—with a system that will ensure that work pays and no one is better off remaining on benefits when offered a job. The universal credit will provide a more logical, efficient, secure and fair benefits system that will demonstrate and reinforce the value of being in work. All Members, and our constituents, should be aware that because of the transitional arrangements no one on benefits will be worse off as a result of the introduction of the universal credit.

Having supported the aims of the Bill, let me move on to the some of the specifics. I have been contacted by a number of constituents regarding the replacement of the mobility aspect of the disability living allowance with the personal independence payment. I am reassured by the Secretary of State's remarks on this part of the Bill, when he said that DLA and its mobility component will continue and will be reviewed at a future time. However, the Government need to do as much as possible to reassure those who are severely disabled and unable to work that they will be protected and not lose their entitlement. I have had constituents saying that they

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fear they will lose their social interaction and effectively become prisoners in their own home. Those genuinely disabled people must be informed that these changes will be to their advantage.

Mark Lazarowicz: The fact that such an obviously ultra-loyal Government Member has been getting such messages from his constituents suggests that things are not all right on the Government Benches. Does he agree that that is another reason why a bit more consultation and time to consider the proposals would be better than the rushed way in which they are being brought forward?

Andrew Bridgen: The Labour party had 13 years to do something. Thirteen years ago, the right hon. Member for Birkenhead (Mr Field) was asked to think the unthinkable; he did so, and then was promptly removed from office. That shows Labour's commitment to welfare reform. There will be plenty of time for consultation, and I can promise that plenty of Government Members will be fighting for the rights of these vulnerable constituents.

The detection of fraudulent claimants is key to the success of this Bill. It is inexcusable that the current system is costing the taxpayer in excess of £5.2 billion a year because of welfare error and welfare fraud. There could be a role for credit rating firms in helping to identify households where there is reasonable evidence that a fraudulent claim is perhaps being made. This can be achieved with greater data sharing across Government Departments, and with the credit rating agencies, to ensure that the widest possible range of data are available. We also need to ensure that fraud is indentified at the earliest point of the process; again, the credit rating agencies can play a role. I welcome the development of the single investigation service and the three-strike rule in the Bill. We will see a reduction in fraud only if false claimants have a serious fear of being caught, and of facing a penalty if they are caught.

In conclusion, the Bill gives our country the chance to reverse a benefits culture that has become a huge black hole sucking in large numbers of people and huge amounts of taxpayers' money. The Bill will release millions of people from the misery of welfare dependency and break the intergenerational cycle of worklessness, which costs this country so much not only financially but socially. The Secretary of State deserves great credit for his relentless work over many years on this issue. The successful passage of the Bill will make welfare a floor on which people can build, rather than a ceiling that it is impossible for them to break through.

5.20 pm

Mr David Blunkett (Sheffield, Brightside and Hillsborough) (Lab): This has been an interesting and instructive four and a half hours. There have been some excellent contributions, including from some Government Members, although not from the hon. Member for North West Leicestershire (Andrew Bridgen), who has just spoken.

I say to the hon. Members for Bexleyheath and Crayford (Mr Evennett) and for Kingswood (Chris Skidmore) that we should not reinvent history but learn from it. Having been the Secretary of State for Education and Employment for four years and later briefly the Secretary of State for Work and Pensions, I think that there are real lessons to be learned from our efforts to change the system. Unless those lessons are learned, we will reinvent the wheel all over again and there will be disappointment for those who believe that this Bill is the bee's knees. Unfortunately, it is not. In 1998, when we set about reducing the unemployment claimant count to under 1 million for the first time in a quarter of a century and the labour force survey figures to below 1.5 million for the first time in 30 years, we did so not just because the economy was expanding and there was growth, but because we were helping people from welfare into work.

Work is the best form of welfare; making work pay is the right thing to do; promoting independence is sensible and logical; encouraging people to be self-reliant, including through thrift and savings, really does make a difference; and honesty in the benefits system is something that we should all aim at. The only problem is that the Bill does not achieve those things. If it did, I would be wholeheartedly in favour of it. I ask Ministers to take another look at the Centre for Social Justice report and to compare it with what is on offer this afternoon in this Bill.

I will use the example of disability living allowance, purely because I know more about issues relating to sight loss than about most other aspects of disability and welfare, despite my ministerial experience. Both with the universal credit and DLA, we are in danger of moving in the opposite direction from that which the Government say is their policy. The introduction of the personal independence payment removes automatic entitlement for certain defined groups with specific challenges, including blind people. I do not speak about these issues very often in the House, but if we remove the care component we also remove the mobility component, which is about to be expanded in April, as was agreed to by Members in all parts of the House and hard fought for by those responsible over a considerable period. To do that will have a perverse effect, and the opposite effect to that which was intended. Instead of promoting a can-do approach that makes it possible for people to get out of a position of dependence, the proposal will trap people in that position.

The perversity is best demonstrated on page 16 of "Disability Living Allowance reform", which was published in December. It gives examples of what the system will mean and talks about testing whether someone is capable of

> "planning and making a journey, and understanding and communicating with others."

However, the whole purpose of disability living allowance was that because they received it people were able to do those things, not that it trapped people by doing those things for them. Whereas the work capability assessment is about what someone can do, the new test for disability living allowance, under its new title, will be about what they cannot do. That leads to dishonesty, with people presenting what they cannot do in their worst circumstances, not in their best. With the new universal credit, people will be encouraged to save but then penalised when they do.

Every step in the Bill that will have a positive outcome is trumped by an administrative complexity that will make the situation worse. We are all in favour of simplicity, but the problem is that simplicity does not usually lead to equity. That is why we have ended up with the complex system that Members have described this afternoon. If we could have produced a simpler system quickly and easily, we would already have it. We laid out principles in September 2005 that I believe have stood the test of time, but unless the Government listen, and unless they review and understand what has happened in the past, we will go through the same problems all over again.

5.26 pm

Sarah Newton (Truro and Falmouth) (Con): Thank you for calling me to speak this afternoon, Madam Deputy Speaker. It is a great pleasure and honour to follow the right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett), who spoke so well from his own experience, as did my hon. Friends the Members for Wolverhampton South West (Paul Uppal) and for Thurrock (Jackie Doyle-Price). The debate has been enlightening.

Those of us who have worked as either paid employees or volunteers on behalf of people who come into contact with the benefit system know that reform is overdue. The overhaul enabled by the Bill, and by other actions that the coalition is taking to integrate and localise services, is most welcome for people in our society who need help. The daily battles of trying to claim benefits, appeal against decisions and fight through expensive bureaucracy are draining on the human spirit, let alone the taxpayer's purse.

The practical improvements and efficiency savings that will come with benefit simplification are important. However, I believe that the importance of the Bill goes well beyond that vital endeavour. The contract between people in our society is expressed, in part, in our provision of welfare. That is part of our expression of the responsibility that we have for each other. I like the conditionality in the Bill, which underscores the principle of the contract that people in our society have. It is built on the clear and settled view that as British people, we are all responsible for ourselves and our families. Just as importantly, it is also our responsibility to care for our neighbours and our communities to the extent that we can. We are each responsible for doing all we can to provide for our own needs and those of our family and community.

Our social contract is also built on an understanding that not all people are able to look after themselves at all times throughout their lives. Sometimes individuals and their families need emotional and practical support to meet their needs, including financial support.

That contract has made us a progressive society. However, over the course of my lifetime, as overall standards of living have risen considerably, I have seen well-intentioned but unwelcome consequences of the development of that fundamental social contract into a welfare state. For too many people it has created a culture of dependency and robbed them of a sense of worth, well-being and good health. It has also brought into question the fundamental principle of fairness that is so characteristic of Britishness.

Dame Anne Begg: Does the hon. Lady believe that anyone who receives any welfare benefit is by definition welfare-dependent?

Sarah Newton: I am very grateful for that question, and the answer is absolutely not at all. A great number of people in our country absolutely deserve support. In fact, I shall argue later that I believe they deserve more support.

Let me explain what I mean by giving some examples. Can it be fair to encourage a couple who would otherwise want to live together and raise a family to live apart because single parents have a better chance of securing social housing, or to encourage someone who wants to work more hours to work fewer for fear of losing benefits? Can it be fair to abandon people who have lost their jobs and need help to retrain and build their self-confidence to a life of poverty without support? None of those things are fair. The intention of the Bill is re-establish the contract between all in society, and to give a clear message that if people are able to work and to play their part in society, we will help them to do so and it will be worth their while, and that if people have a problem that prevents them from looking after themselves and their family, we will be there for them.

Many people would like more rather than less help for our elderly citizens and our disabled citizens who are unable to work, and for carers who do the incredibly important job of caring for their loved ones. I hope we can provide such help by taking the tough decisions now to establish a sustainable economy with less public and private debt and a more sustainable level of public expenditure, and by growing more sustainable enterprise that will enable people to earn a living wage and to look after themselves better.

I am a Conservative MP because I want to create a fair compassionate society, in which people of all backgrounds have the opportunity and hope to reach their potential. "Jack's as good as his master" is a great Cornish expression. It is ingrained in me to value and treat all people equally. Any civilised society should be judged by how it takes care of its weakest members. By that measure the previous Government failed, despite years of increased public expenditure and huge national debt.

I am sure that not every word in the Bill is perfect, but there will plenty of opportunity to make improvements as the Bill passes through the House and we learn the lessons of the consultations currently being undertaken. I am proud to serve in a Parliament that will deliver the fundamental reform that our country needs. The measures in the Bill will be introduced over a number of years, even stretching into the next Parliament, so I believe that we will look back on today as the start of a fundamental process that rebuilds the contract between people in our society. I am delighted to support the Bill today.

5.32 pm

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): Like many hon. Members on both sides of the House, many of my constituents and many organisations have contacted me about their concerns about the Bill. Given that many other hon. Members want to speak, I shall highlight only a few of those.

The changes in housing benefit will in due course feed into the housing element of the universal credit. Without going into all the details, there is no doubt that many people in my constituency will be seriously disadvantaged by those proposals. People will be driven

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into poverty, and in some cases, driven out of their current housing. The fact is that for all the press stories we read—they are sometimes repeated by Government Members—about people living in luxury housing benefit accommodation, any such cases are few and far between, if the ones we read about are genuine, which is doubtful. We should not allow the debate to be distorted by a few extreme examples that, if genuine, need to be tackled.

Hon. Members will recall that in his Budget statement last year, the Chancellor of the Exchequer referred to

"families receiving £104,000 a year in housing benefit."—[*Official Report*, 22 June 2010; Vol. 512, c. 174.]

I pursued that with a number of written questions. I have still not had the exact figure from the DWP, which I suspect is because only a handful of families are in that situation. If we are to have a serious debate, we should talk about the realities on the ground, not fake figures that are designed to scare people and distort the real debate that we need to have.

There are precious few areas in which forcing down housing benefit costs will affect market rent. In most cases, the market rent will become further diverged from housing benefit. As I said, as a result, people will be driven out of their housing, and perhaps forced to leave their communities or forced to go to areas where they do not get support from family and friends either in or out of work.

It may be the case, as the hon. Member for Bromsgrove (Sajid Javid) said, that the Government's changes will affect the market in cases where housing benefit tenants form a large proportion of the rented market. However, in constituencies such as mine, there are lots of student properties, holiday lets and those whom one might describe as young professionals. They are a major element in the rented housing sector, and they are certainly not going to go away, meaning that those on housing benefit will no longer be able to afford their existing housing. That is certainly a concern that has been expressed to me by housing associations in my constituency.

Stephen Lloyd: Does the hon. Gentleman see nothing untoward about more than 5,000 families in the UK receiving more than £25,000 a year in housing benefit, which is equivalent to earning a salary of £80,000 to £90,000 a year?

Mark Lazarowicz: In each case, we have to look at the circumstances of the individuals concerned. However, the idea put forward by the Government that at the top end of the scale there are large numbers of people receiving £104,000 a year illustrates the distortions that some people want to introduce into this debate.

Another concern that housing associations in my constituency have raised with me is about the over-accommodation rules, which were mentioned by the hon. Member for Manchester, Withington (Mr Leech). Those rules will have many consequences that will be detrimental to both housing providers and individual tenants. One of the housing associations in my area has made the point that it may have a perfectly reasonable policy of providing people with an extra room, so as to allow access visits by children from a relationship, but those people would then no longer be entitled to housing benefit to reflect that extra room.

Parents and carers for adults with autism have also raised concerns with me, although other hon. Members have also discussed those concerns today, so I shall not repeat them. There have also been concerns about child maintenance charges being imposed on those still required to use the child maintenance system.

I want briefly to refer to concerns about the changes to DLA. When I intervened on my right hon. Friend the Member for Stirling (Mrs McGuire), I mentioned the concerns raised with me by a number of parents of children with disabilities in my constituency. Of course I recognise that the children concerned will not be subject to regular reassessments while they remain children. However, those parents have raised with me their concerns that in years to come their children may no longer have their support and assistance in submitting applications for DLA or its successor. Those children will find themselves in a vulnerable position if they are forced to undergo regular reassessments for conditions that will quite patently not change.

Those parents are right to be concerned—indeed, it is not surprising that they are—given that the backdrop to the Government's policies is a 20% cut in the DLA budget. The Government may say that some of the fears that have been expressed are unfounded. However, if that is the case, they have brought it on themselves by rushing the consultation on DLA, which closed only nine days before the Bill was published, and because so many of today's measures depend on further regulations being introduced at a later stage. Unsurprisingly, that has led to suspicions on the part of those who are likely to be affected by the changes.

Perhaps the underlying reason for those concerns is that we know that today's changes are being driven in two ways: by a wish to reform the system—I accept the Government's good intentions in that—but also by a wish to cut spending. The fact is that the Government's prime concern is cutting the budget as soon as possible—that is the driver for today's proposals—not, I am afraid, reforming the welfare system, which is something on which we should all able to agree across the House, if we had the time to discuss and debate it, and if we had the time to consider the views of outside organisations that have real concerns about it.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Just before I call the next speaker, may I point out that 14 Members are trying to catch the Chair's eye? I want to get everyone in, so if Members can take as little time as possible, that would be helpful.

5.39 pm

Brandon Lewis (Great Yarmouth) (Con): I should like to thank the Secretary of State for the assurances that he gave to cancer sufferers and their friends and families. Will the Minister of State, Department for Work and Pensions, my right hon. Friend the Member for Epsom and Ewell (Chris Grayling) also assure us that he will examine how we can deal with the inequality that exists between cancer sufferers who have intravenous treatment and those who have oral treatment? There is an unfair disparity between them at the moment. Science and medicine have moved forward, but our system has not kept up with that progress. It would be good if we could do something for those sufferers.

I represent an area with above-average unemployment. That is one of the legacies of the Labour Government, who forgot about the problems experienced by some of the coastal towns and about their regeneration. They took away public sector workers, and disincentivised people from working and businesses from investing and from employing people, through their heavy regulatory system. There are people in my constituency who are second and even third generation unemployed. That presents a problem that has two sides. On the one side, we have residents who work hard and who air their frustration at what they perceive to be the injustice of people who do not work and who stay at home having a lifestyle that is similar to that of the people who work all those hours. We need a system that will change that. The Bill is courageous in introducing some great changes, and it could start to change that as well, so that people who work hard would realise that they are not simply subsidising people who do not want to work.

On the flipside of that coin are the people who want to work but who cannot find a job or who are not properly trained for work. I have constituents who are crying out for the right kind of support and training to enable them to apply for the jobs that are out there. There are jobs beyond those that they might hear about in the jobcentre. The local press and organisations such as Jobcentre Plus do a great job in advertising the wide variety of jobs available, and this can enable people in areas such as Great Yarmouth to understand that they could be well trained enough to have the option to find work, not only in Great Yarmouth but in the wider community, perhaps in Norwich or even beyond, where jobs exist that they could reasonably commute to.

What I applaud most about the Bill is that it will introduce a move to a simpler system, and the evidence presented to the Select Committee shows that that is universally what people want. They want a system that they can understand. Too many people have come to my surgeries who simply do not understand the system and cannot get the support that they need because of that. Even some of the experts working in the system do not understand it.

A single mother with two children came to see me recently. She had a job which paid her £15,000 a year for working three days a week. She wanted to work five days a week, and her company wanted her to do that as well. She phoned the tax office to ask what the implications of that would be, so that she could work out whether she could afford to do it. It is crazy that we live in a society in which someone has to make a phone call to see whether they can afford to take a job that will pay £25,000 a year.

The most worrying aspect of the story, however, was the fact that the tax office could not answer her question. There are 30 different kinds of benefit, and a tax system that is set out over thousands of pages, so it is no wonder that, when someone is offered a well-paid job, they cannot work out—even with the help of experts—whether they can afford to accept it. I congratulate that person, because she decided to take the job even though the experts told her that the tax calculation would be done in arrears and it would be a year before they could tell her what sums would be involved, and whether they would need to claw any money back. She took quite a risk, and I applaud her for doing it. That is the kind of spirit that the new system will help to encourage. It will also provide support through the use of the taper.

Labour clearly does not understand the disincentive to work that exists at the moment. In some cases, there is a 96% marginal deduction, and that is simply not sustainable if we want to encourage people to work. I applaud the Bill, because it could really help to motivate and support people in my constituency, and help them to get back into work. That is what matters: people getting back to work and employers wanting to employ them. That is what this entire package can give us, and that is why I applaud the Bill.

5.44 pm

Mark Durkan (Foyle) (SDLP): Unfortunately, unlike the hon. Member for Great Yarmouth (Brandon Lewis), I am not in a position to applaud the Bill, simply because there are not enough provisions in it to tell us whether it will provide a working model for a benefit system that will achieve what the Government say they want to achieve—namely, a simplified benefit system with improved incentives to work. We could all agree with those principles, but our problem on Second Reading is that the Bill lacks significant content to show how many of the detailed provisions will work in practice. We are told that the details of various schemes and measures will be provided later—as the hon. Member for Belfast East (Naomi Long) said, it will be by way of regulation. That makes it unreasonable, on the basis of so little detail, to expect Members lightly to endorse such a Bill, which is so pregnant with implications for so many people in our society.

If Governments are to be encouraged to support evidence-based policy, this House should deal only with substance-based legislation. I often hear the Government saying that they agree with the principle and stated objectives of a private Member's Bill, but because they see serious difficulties in how it might work in practice and because many of the details have not been worked out, they do not accept it and vote the Bill down. Frankly, that is exactly how I feel about this Government Bill. Although many of us endorse the objectives and recognise the problems in the existing system, we are worried about the direction in which the Government will end up travelling.

Members have already referred to the change from disability living allowance to the personal independence payment. Some of us participated in a Westminster Hall debate about that this morning. One important point is that we do not yet know from the Government what the implications of those provisions will be for carers. They have told us that they want to create a new deal for carers, but they have not given us any estimate of how many carers will be affected as a result of the changeover to personal independence payments. The Government have a lot more to tell us; only after they have told us would some of us be in a position to accept their assurances.

The universal credit is proposed to replace quite a number of existing benefits: working tax credit, child tax credit, housing benefit, council tax benefit, income-based jobseeker's allowance and income-related employment and support allowance. We know about the existing complexities and difficulties with many of those benefits,

[Mark Durkan]

so we cannot just take it on assumption that there will be no problems bringing them all together. We cannot take it on assumption that there will not be any serious transitional difficulties; neither, on the basis of past experience, can we take it for granted that the administration system, the infrastructure for delivery and the information technology used for the new system will not have any problems.

We know the stated intentions for tax credits, but we also know about all the problems that resulted. We know the stated intentions for employment and support allowance, but we also know about the many difficulties surrounding its delivery. It would therefore be naive if the House simply said to the Government, "Carry on regardless; we like your stated intentions; we are not going to frisk you for any further details or caution you against any possible risks to our constituents."

Issues in the Bill might have complicated effects in the context of Northern Ireland. When it comes to universal credit, the Bill makes presumptions about child care provision, but Northern Ireland, of course, is not covered by the Childcare Act 2006 and it does not have the same infrastructure for child care as elsewhere. That poses serious challenges about how the scenario painted by the Government will work out for Northern Ireland.

Further issues stem from the fact that Northern Ireland does not have council tax, which affects rate relief. We will have to see how that will be administered from Whitehall and what degree of discretion the Whitehall Government will allow the Northern Ireland Assembly and Executive to have in respect of delivering locally for Northern Ireland the framework created by the Bill.

As I have pointed out before, many people in Northern Ireland live and work on a cross-border basis. Many people on benefit who want to get jobs might find one across the border. The issue of providing tax credits for cross-border workers is fraught with all sorts of difficulties and frustrations. We do not yet know how the replacement scheme is going to work. There is a danger that cross-border workers—those who live and work on either side of the border—could find themselves in serious difficulties.

That is why many of us are not just suspicious about some of the Government's intentions, which we fear may result in punitive measures for many people on benefits, but sceptical about whether enough work has been done in terms of the detail of the Bill and how it will affect our constituents. That is why many of us do not feel able to support the Bill's Second Reading, and if others are prepared to oppose it, I am prepared to join them.

5.50 pm

Stephen Lloyd (Eastbourne) (LD): Given the breadth of the Bill, I intend to focus on the work aspects.

The right hon. Member for Croydon North (Malcolm Wicks) is no longer in the Chamber, but I trust that he will not mind if I, too, quote Beveridge, who famously said:

> "Want is one only of five giants on the road of reconstruction; the others are Disease, Ignorance, Squalor, and Idleness."

As we all know, those words were written at a time of real poverty for many people in the United Kingdom. How do they apply today, in the 21st century? Indeed, do they apply today? My supposition is that they do. Today, 10.4 million people of working age in the United Kingdom are not working, 5.9 million are claiming out-of-work benefits, and more than 2 million children live in households in which no one is working. It was the great Nye Bevan who said:

> "There is no test for progress other than its impact on the individual."

Yet, today 3.9 million children still live below the poverty line. Some progress! Surely it is time to do something different.

I support the Bill's Second Reading because I believe that, in the main, it approaches this intransigent issue intelligently and constructively. The nation has got stuck, and it has got stuck because of the system. I do not think that anyone in the Government is particularly at fault, because the problem has built up over the past 40 years. A key part of breaking the system, which I believe the Bill is doing, is making work pay—a concept that the Secretary of State has championed for some time—and that means changing the tax and benefit system.

I will not go into all the details, because I am sure that everyone in the Chamber is well aware of them, but, as some Members have already pointed out, more often than not there is no point in people coming off benefit and going into work because they will be worse off as a result. A constituent of mine, a single mum with three kids who is on housing benefit and the rest, has not worked for 15 years. The rational option for her is to stay on benefit, and if I were her that is what I would do. It would be insane for her to come off benefit: she would probably lose out under the system that we have had for years, and what would happen if she lost her job in a few months' time? The system is insane, and the Bill attempts to transform it.

Naomi Long: Another potential benefit of removing the limit on the number of hours that can be worked by claimants—currently about 16—is that employers would be more likely to take on people part-time, such as lone parents, because they would have more flexibility.

Stephen Lloyd: I agree with every word that the hon. Lady said.

How are we to help people back into work when they have been receiving incapacity benefit, jobseeker's allowance or a similar benefit? As I said when I intervened on the right hon. Member for Croydon North, the Bill will provide much more money for training providers to give them an incentive to focus on people who have been on benefit for a long time, and make it worth their while to spend extra time and resources helping those people back into work. The right hon. Gentleman said that the Bill copies measures taken by the previous Government in that regard. That is true to an extent, but it does a great deal more than that.

In the past 24 hours, I have been in touch with the National Audit Office, according to which the average payment from the DWP to training providers for pathways to work was £1,003 per job. Under the current proposals, providers will be paid a minimum of £3,800 and a maximum of £13,700. What lies behind the Bill is our recognition of the fact that people have been "parked" for years, which is outrageous. Whichever side of the Chamber we are on, we know that if the many people who have been out of work for a long time are to be helped, they will need that extra effort, extra mentoring and extra time. The only way in which we shall persuade training providers to do that is by stuffing their mouths with gold, as Bevan said in the '50s in respect of the British Medical Association. The Bill attempts to achieve that by making training providers feel it is worth their while expending the extra effort to get people back into work, which is tremendous.

The previous Government introduced the black box concept, and I am glad that we are building on that to start using subcontractors' imaginative ideas. That is all good and very rational, and it is a simple solution, too. Members on both sides of the House know that, where possible, work is the best route out of poverty.

There are downsides, however. The economy is challenged—that is the best word I can use. I spoke to a senior disability spokesperson the day before yesterday. I said, "Well, it's obviously very hard for us to get all these extra people into jobs when we're faced with such a difficult economic situation." She replied, "Stephen, you're absolutely right, but at least if we start doing the spadework now it is just possible that when the economy turns in a couple of years the foundations will have been laid and a lot of people who might have seen themselves as never working again could, through the mentoring, be in a position to be able to be swept along with the upswing in the economy." I certainly hope so, because it is very difficult to achieve such radical reforms now when we face an economic crisis.

I want to give a message to the Minister, and I am sorry that all his colleagues are not present, as this applies to the entire ministerial team. The Bill is tremendous; it is a glass-half-full Bill and it recognises that we have to spend money, which is why I appreciate the Secretary of State getting the £2.5 billion from the Treasury. We have to pour money into this problem to transform the situation, but we must change the language if we are to get people who for years have been on IB or other benefits back into work.

The Bill is clearly designed to do that, which is why it approaches the issue in such a constructive way. I was in Burnley with the Work and Pensions Committee a couple of days ago. A training provider who is very successful in getting people into work said, "If there's one message to give to the Government it is this: respect. Use the right words, and treat people who have been on IB and on benefits for a long time with respect." I therefore say that we must use the right words.

The Bill is fit for purpose. I think it will transform the situation, and I will support it on Second Reading.

5.57 pm

Mr William Bain (Glasgow North East) (Lab): It is a pleasure to be called to speak in this debate.

With more than 2.5 million people unemployed, youth unemployment soaring to 20% and persistent levels of intergenerational unemployment, it is clear that the status quo is not working. The hon. Member for Eastbourne (Stephen Lloyd) cited Beveridge, but Beveridge and the Labour Government of 1945 envisaged the welfare state as a system that would redistribute not just wealth but power and opportunity. It was a welfare state built on reciprocity, but we cannot characterise the package of reforms in the Bill as being built on sufficient reciprocity. This is a Government who are introducing a Work programme that will help 250,000 fewer people than the programmes it replaces.

Chris Grayling: It is very important to deal with this point head on. That is absolutely not the case: every single person on JSA or ESA who needs and wants support through the Work programme will get it, and the total numbers will be higher than under the previous Government.

Mr Bain: If Members look at the details of what is being spent on the Work programme, they will see it does not match up to the initiatives of the previous Government.

We also foresee huge problems for the losers under these reforms. Labour supports a simplification of the universal credit system, but it must be a fair simplification. Yes, about 1 million households will benefit, but it is absurd that that is being paid for by 1.7 million households with incomes of between £16,000 and £24,000 losing out. The squeezed middle will not only be defined; they will be heard loud and clear in respect of the money they will lose as a result of this Government's policies.

The Government have shown a bizarre lack of clarity regarding whether self-employed people hoping to start a new business will be eligible for the universal credit. The transition for individuals to the universal credit lacks detail and could create disincentives. The credit does not deal with transport costs to and from work, and the cash protection for individuals' incomes will apply only until their circumstances change, which could be only a few weeks after taking up a job if their hours of work are altered. Changes to crisis loan alignment payments are also likely to affect many claimants. No work has been done to identify the costs of transferring delivery to local authorities, or to identify the most affected groups.

Labour Members know that one of the best means of reducing child poverty is to encourage more second earners to take on part-time work around their family or care commitments. It is extraordinary that the proposals in the Bill will reduce the work incentives for up to 330,000 second earners. This is not a strategy that will reduce child poverty in the short or medium term. Despite the Secretary of State's statement today, there is a shocking lack of clarity about the provision of child care, the cost of which presents a huge barrier, particularly for women returning to the labour market. Council tax benefit is being devolved to local authorities in a completely unspecified way that lacks clarity and threatens to create new disincentives to work.

The Institute for Fiscal Studies has concluded that, overall, under the universal credit the incentive to work for low earners will be stronger for single people and for those in couples where one partner does not work, but that it will weaken incentives for couples to have both partners in work, owing to a higher withdrawal rate than the current tax credit system. It has also concluded that lone parents will lose out in the long term.

This week, the Social Market Foundation established that 400,000 families with children that currently receive tax credits will lose their entire eligibility for financial support under the universal credit if they have savings of more than £16,000, and that a further 200,000 families

[Mr Bain]

with savings of between £6,000 and £16,000 will lose some of their entitlements. As Ian Mulheim, the director of the foundation, said,

> "The Universal Credit will punish working families trying to save for the future, such as those trying to get a foot on the property ladder.".

We urge the Government to reconsider the shambolic way in which they have designed the credit, and to introduce a more adequate Bill that is fit for purpose.

On housing benefit, the hon. Member for Manchester, Withington (Mr Leech) mentioned the incredibly harmful effects of the proposal to extend the shared-room rate from people aged under 25 to those up to the age of 35. Some 88,000 people across the country will lose out, with an average loss of £47 a week. In Glasgow, my home city, the impact will be to move people from the social rented sector into the private rented sector, with a resulting increase in rents.

The Secretary of State has not been able to give the House sufficient assurances on the disability living allowance. Yes, we hear of a review, but he has not taken back, nor has he had permission from the Treasury to recoup, the amount he proposed to save by withdrawing the mobility component. His own Social Security Advisory Committee has referred to the terrible impact of the loss of independence that people who lose the mobility component will experience. We therefore urge the Government not just to review these proposals but to withdraw them.

On the move to personal independence payments, we think it unacceptable to require a disabled person to wait six months—double the length of time under the present system—before coming eligible. Richard Hamer, director of external affairs at Capability Scotland, has said:

> "The welfare benefits system is the UK Government's strongest tool to promote equality for disabled people. The changes announced in the Welfare Reform Bill will instead push disabled people and those who care for them further into poverty."

I encourage Members throughout the House to seek a better Bill than the one the Government have proposed today. I urge Members to vote for the amendment and to seek a better Bill than the shoddy and shambolic effort the Government have proposed today.

6.4 pm

Damian Hinds (East Hampshire) (Con): As some hon. Members are still waiting to speak, I shall strive for brevity. We are, of course, debating the principle of the Bill, which I am very proud to support, and we will vote on whether we get the chance to discuss in Committee many of the important issues that hon. Members on both sides of the House have rightly raised. We will also vote on whether to progress with the Bill's central reform: the universal credit, which is ambitious, bold and compassionate.

I am sure that we have all had discussions with our constituents in which they say, "Why can't we just have a benefits system that means that you are always better off in work than out of work? Why can't we have a system where everybody who can work does work and where we provide proper support to those who can't? Why can't we just simplify the whole system so that people understand it and we do not spend so much money on bureaucracy?" This Government answer those questions by saying, "Actually, we can."

This welfare package contains many elements. Hon. Members have focused on different ones, but I wish to focus briefly on the social fund. It contains many diverse elements but, as the hon. Member for Belfast East (Naomi Long) identified, it is the crisis loans that have been growing most recently. In the past year, there were 2.7 million loans to 1.1 million people. Although the number of people taking crisis loans has grown rapidly—it has doubled over four years—the number of individual loans has grown even faster. That, in itself, has driven a big increase in the administration costs of the scheme, which have risen from £70 million in 2007 to £120 million last year. Of course it is right that we provide extra support for people in times of personal crisis, but it is also right to question those rates of growth.

There are many other problems with the social fund: a lack of awareness, particularly about community care grants; the long processing times that sometimes occur; and, on occasion, perverse incentives. One such incentive results in families applying for loans for cookers and beds because they are "priority items", even if they are not actually the things that are most needed at the time.

It is right to devolve these programmes to a local level, where the authorities know their areas more and are better able to put families in touch with other local services that can help them. Work can be done with, for example, citizens advice bureaux on referrals, and with food banks and furniture recycling programmes, such as Furniture Helpline, in Bordon, in my constituency. Credit unions can also play an enhanced role, although we must recognise the limits to that, both in terms of geographical coverage and the client groups they are geared up to serve. I wish to thank the Department for Work and Pensions for another announcement last week on support for credit unions. An extra £73 million is being provided for capitalisation and for the development of something that many hon. Members on both sides of the House have requested for a long time: a robust back-office system that will enable credit unions to work more closely with post offices. That, combined with the imminent legislative reform order, which will allow credit unions to grow more, will mean that they will be able to fulfil an even more important role in providing responsible, affordable financial services to some of the poorest people in this country.

The reforms to the social fund are just one part of a large and radical package of measures. Some issues still need extra attention, as Ministers acknowledged today. The position of cancer sufferers is one such issue, as is the mobility component of disability living allowance, but I suspect that, deep in their hearts, many Opposition Members support the principles behind this ambitious, bold and compassionate Bill, and I urge them to vote with us to move forward on those central themes.

6.8 pm

Mr David Lammy (Tottenham) (Lab): I approached this debate hoping that all of us in this House recognise the importance of the dignity of work for our population and recognise the dignity of living in a society where we are concerned for the welfare of people who fall on hard times. That is the basis of our social security system and we are judged on how we deal with the most vulnerable. So the remarks that have been made about people living with disabilities are particularly pertinent to the kind of society we want to live in. We have heard remarks from Members on both sides of the House that cut to the heart of that kind of society.

I am not able to vote with the Government on the Bill. I say that coming from a working-class background in which my parents, both of whom are dead now, would literally run out of the door to work because they valued work so much. We survived on income support. For us, child benefit meant being able to buy school uniforms and books, and there was a period when I experienced free school meals. Speaking in this debate, I am thinking about the many people outside the Chamber who rely on the welfare state and social security who will be very anxious about what has been said at the Dispatch Box.

The first reason why I cannot vote for the Bill concerns worklessness. One has to acknowledge the progress of moving to a universal credit system, but the reforms are being made against a backdrop of huge worklessness in communities such as mine, and we have a residual memory of the past. When Labour came to office in 1997, unemployment in Tottenham was at 28%; it is currently the highest in London. We remember a similar programme to the workfare programme called the youth training scheme. We remember the Manpower Services Commission and the 58% of people on YTS who did not finish it and who certainly did not leave it with any qualifications or job opportunities, so we scrutinise what this workfare programme will mean, and it seems lacking when we look at what is replacing the current system. We know there will be less money in the kitty than there is now and we cannot understand how the Government can move to the new system while withdrawing £6.2 billion from the current credit schemes. That is £6.2 billion that will not be available to some of the poorest families in the country. The Bill will need a lot of scrutiny in Committee in the context of worklessness, particularly the situation facing the young, and I hope to play a role in that.

The second reason why I cannot vote for the Bill is because of where it will leave women and families. Much has been said about the situation regarding the second earner when there are two earners in the home. The Bill will hurt both families and marriage, and I am surprised to see the coalition Government, who say they value marriage, doing something that will clearly hurt families by taking this punitive approach to the second income.

Also, many of us are dealing with local authorities that are withdrawing support for services in our communities, such as after-school clubs. I agree with the single mothers in my constituency who say to me, "Listen, those activities that our children take part in when school finishes at 3.30 pm are not a luxury but a necessity because we go out to work and work finishes at about 5.30 pm, and then we have to get home and pick them up." That money is being cut against the backdrop of the proposal in the Bill massively to reduce child care allowances. How can we do that to women up and down the country whom we encourage, and want, to work? That is another reason why we should not vote for the Bill.

Another reason why I will not vote for the Bill is the visit I had from the Haringey Phoenix Group in my constituency—a wonderful voluntary organisation that supports the blind. I am particularly concerned by what the Secretary of State has said. He was vague at best about his proposals and much has been kicked into a review. Many people will be left in huge uncertainty and it is unfair that someone who is blind, who is trying to live an independent lifestyle and who perhaps has a family, will not know what kind of assessment they will receive, how regularly they will receive it and the scale of their benefits afterwards, because the Secretary of State cannot provide those answers. I welcome the simplification of the system and the desire to see people in work and gaining the dignity that comes with that, but people outside will be very concerned, and the son of anyone who has received benefits in the past could not support the Bill as it stands.

6.14 pm

Steve Baker (Wycombe) (Con): I rise to speak in support of the Government, very conscious that a large number of people will have legitimate and sincere concerns about the Bill. For example, I asked one local activist, who leads the Zacchaeus 2000 Trust, to critique the Prime Minister's recent speech, and his response ran to 23 pages. I regret that due to the time I will not be able to share his concerns, but I will forward them to the Government, as a matter of interest.

I do not think there can be any doubt that the system is currently failing the very people that it is intended to help. I want to share with the House two stories from my constituents—one that shows the imperative for change and one that has slightly broader applicability.

Miss Rachel Pepin came to see me in a state of some anguish. She is a struggling single mum who wants to work more. She is in employment and the work is there for her, but she cannot take it because of the benefits system. She has two sons whose father will not support them. It seems that every time the Child Support Agency catches up with him, he drops out on to jobseeker's allowance. Her current housing benefit receipt makes it profitable to stay on income support and actively not to seek work. She has reached the conclusion that it simply does not pay her to stay in employment. She sees her neighbours—on benefits—better off than she is.

I am glad to say that that is not how Rachel Pepin wants to live. She wants to work, and she is struggling against the treacle of the present system. It is letting her down, and that must end. Not everyone will share her admirable work ethic. Many will make the wrong choice when faced with the choice between being better off and doing the right thing. We must ensure that work is better for everyone, or we will encourage the decivilising consequences of the state encouraging bad choices.

My constituent Mr David Laws—*[Interruption.]* I expected that response from the House; I believe that he is not related. Mr Laws is most concerned about the recent changes that will end home loan interest payments after two years. He wishes to protest most strongly about the "unfairness of this legislation", as he puts it. He has been out of work for some time. He says he is not workshy. He has a law degree and has experience of both public and private sectors. At the age of 51, he finds that many employers do not think him suitable for the low-paid jobs that are available. He finds himself willing to do anything but unable to find work. He therefore faces the very real possibility of losing his home if he fails to secure a job before April 2012.

[Steve Baker]

That puts me in mind of two points. First, I think Mr Laws has a legitimate concern, which must be addressed. Secondly, if we cannot create an economy in which Mr Laws can find a job within a year when he is highly qualified and at the peak of his productivity, we will have failed. I urge the Government to impress on the Chancellor the need to fulfil his pledge for an enterprise-driven Budget. We simply must deliver those private sector jobs.

Given the time and the fact that other Members wish to speak, I conclude by echoing the sentiments put succinctly in the Centre for Social Justice report, "Breakdown Britain":

> "The more we struggle to end poverty through the provision of benefits, the more we entrench it. By focusing on income transfers rather than employment, the system makes people dependent on benefits. Habituation to dependency destroys individuals and communities, as well as reducing the overall competitiveness of the UK."

I listened to my hon. Friend the Member for Truro and Falmouth (Sarah Newton), who made the case brilliantly that the moral and intellectual high ground is on the coalition side of the House, and I agree with her.

We have heard a range of Opposition speeches. I welcomed the speech by the right hon. Member for Stirling (Mrs McGuire), who accepted that the Government's intent is good. I share her concern that the Bill, in a sense, is enabling, but unlike her I suspect that in a complex welfare system it is necessary to give the Government some flexibility.

Mrs McGuire: On flexibility, does the hon. Gentleman recognise that the 300-odd regulations defining what is meant by the Bill should be before us today?

Steve Baker: I hear the right hon. Lady, as have Ministers, but as I have so little time, I hope she will forgive me for finishing my contribution.

I was glad to listen to the right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett). In an intervention, I agreed with another Member that the banking system is currently the source of great injustice, but some of the contributions from the Opposition seemed cynically opportunistic. There has previously been broad agreement across the House that there must be change. I urge Members in all parts of the House to get on board a welfare reform that is well intentioned and must be seen through.

6.20 pm

Kate Green (Stretford and Urmston) (Lab): Time is tight, so I shall mention a small number of issues which have not yet come up specifically in relation to the impact of the universal credit on women and children. My hon. Friend the Member for Glasgow North East (Mr Bain) alluded to the design of the universal credit as a breadwinner model benefit and the disincentive that that creates for second earners and households to work. That is important because women's financial independence, whether in couples or on their own, is an objective that Ministers ought to be seeking, given their proclaimed wish to use the benefits system to help everyone stand on their own feet.

I am concerned, first, that the benefit will not deliver well for women. Half of women in poor households already do not have any money to spend on themselves. Money will now be paid only to one member in a couple. As the evidence of the pension credit shows us, where there is a choice as to which member of the couple is to receive the benefit—I understand that that is what Ministers intend for this benefit—77% of payments went to the man. I urge Ministers to examine closely the design of the benefit that they have created and its implications for women's independence. That is important because women are more likely to spend money on children.

That leads me to my second concern: the impact of the benefits cap, particularly in relation to children. As other hon. Members have mentioned, the housing cap will force many families to go into arrears or to move. One of the important dimensions of forcing families to move is the disruption that that will create for children's schooling, children's social networks and child care arrangements. I urge Ministers to take careful note of the lessons to be learned from what happens to children who have been in temporary accommodation, and the damage that house moves can do to young children. I hope they will think again about the imposition across the board of that benefits cap.

The third thing that I ask Ministers to give attention to is payment of the universal credit on a monthly basis. I understand why they want to do that—to mimic the way in which many people receive their pay—but we know that one in four low-income families run out of money before the end of the month. Ministers must tell us what will be put in place to ensure that those families are not left struggling or destitute because of the design of a benefit payment that does not meet the needs of lower-income households.

The fourth aspect on which I would welcome clarification is an issue that has been highlighted to me. In some cases, because payment is made to one member of a couple in a household, benefit could be paid to a member of a household in relation to a cost borne not by them, but by another member of the household. That is the case particularly in relation to housing costs. One member of a couple could receive the universal credit, including the housing component; the other member of the household might be responsible for that rental obligation. I would welcome Ministers' clarification on whether that is also to apply to mortgage interest assistance. That matters because it is likely to deter women from forming couple relationships, which Ministers are keen to promote, if women think they will be put in a position where money which is important for them to keep their home is to be paid to somebody else.

Finally, like other hon. Members, I am distressed that proposals are being introduced in the Bill so early on in the process of consultation on child support, when we are still waiting for the responses from the many experts in the field. I am concerned that we are moving to a system that will be almost entirely voluntary, with only a residual compulsory system. We all know that when voluntary arrangements are put in place—if they are put in place—it is women and therefore children who are most likely to lose out. Introducing the payment of a fee to access a voluntary child support system is highly likely to leave many women and children completely unprovided for, and I urge Ministers, on that point in particular, to think carefully and to think again.

6.25 pm

Charlie Elphicke (Dover) (Con): Government Members are all aware that behind the Bill stands the financial destiny and future of millions of people. There is a great human aspect to this. Only today, I spoke to my constituent, Kelly Banks, whose son Ben is 12 years old and has a serious heart condition. The allowances that he receives are going to be taken away because he can walk to school—never mind the fact that it takes him half an hour, and by the time that he gets there, he is out of breath. Those hard and difficult decisions must be taken, and we must make sure that the right balance is struck to ensure that people who need help receive it, and that those who do not, do not.

That is a particular concern, because the figures show that disability living allowance has gone up by 30% in eight years. Housing benefit has gone up by 45% in the past five years. In the past 13 years, the benefits bill for working-age people has increased from £52 billion to £74 billion. Those are the numbers in the years of plenty, but we have inherited a catastrophic economic situation and difficult decisions must be made. The Bill seeks to strike a balance between, on the one hand, the nation's credit card having been maxed out and, on the other, the need to ensure that those who need help receive it. Most importantly, the universal credit will help people to be sure that work always pays.

We need to do more to crack down on fraud and error, which costs £5.2 billion in wasted benefits. We need to ensure that there is a proper cap on the number of people coming in to the country. We have 5 million people who could work but do not do so, yet we all know that in the past few years 1.2 million people who were born overseas came and took jobs. We should do more to ensure that those 5 million people who could work but do not do so receive help, support and encouragement to get into work. We have to do the right thing by our own countrymen and our neighbours. It is time to reform. It is time to make work pay, and it is time to bring the benefits bill under control and ensure that there is fairness for those in need and those who are paying taxes.

6.28 pm

Debbie Abrahams (Oldham East and Saddleworth) (Lab): I shall be brief, as I know that other Members still wish to speak. We have heard useful contributions from Members on both sides of the House. There is cross-party consensus that the welfare system needs to be reformed, and there is even common ground on the reasons for the reforms, such as making work pay, and on what we need to do about the problem, such as simplifying the benefits system.

I want to put on the record the fact that there have been some unhelpful and unhealthy remarks, particularly statements that equate the reforms on making work pay with, if not a kick up the backside for people who are deemed to be workshy, then its equivalent. I found that particularly objectionable. I began to make a list of the Members concerned, but I ran out of space.

I want to dispel some of the myths perpetrated about worklessness, which includes unemployment and incapacity, whether the result of illness or of disability, and to explain why the Bill not only fails to address key issues such as the taper of the universal credit but, in conjunction with the disasters of the Government's economic and employment policies, risks increasing both child and pensioner poverty and inequalities, as well as creating a new underclass. We also know that there will be consequences for the health outcomes of the population as a whole.

On unemployment, constituents are coming to my surgeries having either had their jobs threatened or just lost their jobs, and it is insulting that we should consider some of them to be making lifestyle choices. Unemployment is not a lifestyle choice. There is clear evidence that unemployment has profound negative effects on the physical and mental health of not only the people who are directly affected, but their families. Studies suggest that there will be an increase in all-cause mortality as a result of unemployment, so we need to be very mindful of that.

Indeed, if we compare the level of incapacity benefits with health data, we find that it is a good indicator of population health. It is reliable, legitimate and not an indicator of malingering. There is overwhelming evidence that the driver that brings down worklessness is a high level of sustained economic growth, but the current fitful recovery will not help to get people back into work. Given the Government's cuts, nothing will help those people.

In addition to the Bill's appalling timing, it lacks an understanding of the importance of appropriate welfare to work programmes and fails to distinguish between job-ready and long-term claimants. That will again hinder people from getting back into work.

My final general point is about the Bill's direction of travel. When we compare different international systems, we find that those with highly decommodifying state support packages—where state support ensures that a basic standard of living is maintained—have fewer income inequalities, a host of social benefits and no negative impact on health outcomes, as measured in particular by infant mortality.

Welfare systems also have an intergenerational effect. In the US we have seen that evidence, and I see patterns associated with what we have been introducing, and that effect also occurring here. Children inherit their parents' poverty, and we cannot allow that, so I recommend that we look again at the detail of the Bill.

On the Bill's specific measures, I have already mentioned concerns about the taper, and I hope that the Government will commit to an annual review of the rate and introduce it at 55% rather than at 65%. In addition, the payment of the universal credit needs to be more flexible, as many of my hon. Friends have said, so that we do not exacerbate child poverty any further.

I would also welcome some clarity about the earnings disregard—the amount a household can earn before they lose their entitlement—to ensure that work pays for all. Members have already mentioned the reduction in the child care costs that the working tax credit covers, and I hope that we can look again at that. Save the Children estimates that some families could lose more than £1,500.

Free school meals are another important source of support to low-income families, and I am concerned that the Bill does not describe how they will be maintained under the universal credit.

[Debbie Abrahams]

The withdrawal of employment support allowance after a year is absolutely disgraceful, and again we should learn from other countries. We have seen what has happened in the States, and the effect on families has been absolutely appalling.

Finally, the conditions, sanctions and penalties associated with the universal credit must be reasonable, take account of specific barriers to work and ensure that work does pay.

So, I will not be supporting the Bill—

Mr Speaker: Order. I am extremely grateful to the hon. Lady.

6.34 pm

Priti Patel (Witham) (Con): I congratulate my right hon. Friend the Secretary of State and his entire ministerial team on bringing forward this long overdue legislation, and I pay tribute to him for his passion and conviction in driving forward his policies to get people off dependency and back into work. It is imperative that the welfare and benefits system be reformed and improved, because helping people to get back into work, ending the culture of dependency on the state and restoring the British work ethic is absolutely the right thing to do. It is always easy for Labour Members to criticise from a position of opposition, but they are the ones who spent 13 years failing to get people into work and trapped yet another generation on benefits—and they opened the door to let 2.5 million people from overseas come into Britain and take British jobs.

I make no apologies for viewing the welfare system as a safety net. Welfare should be available to help those who have fallen on hard times and need support in getting through difficulties, illnesses or disabilities. However, this has not always been the case. Many Members who have spoken in the debate recognise that our constituents have gone through many bureaucratic processes, obstacles and hurdles in getting the support to which they are entitled. They face a lot of stress and anxiety in going through appeals processes and tribunals, and many go through terrible trauma, which is why they end up in our surgeries, when we have to intervene. The reforms outlined in the Bill must therefore ensure that such mistakes, bureaucracy, regulation and hurdles are reduced, and, importantly, that we restore confidence in the system to support those who are in need.

There must be three components in any programme of measures introduced by Government to get Britain working, take people away from benefits and get them back into employment. First, we need pro-business policies that promote growth, enterprise and wealth creation. Secondly, strong measures need to be in place to get people into work and to complement the measures in the Bill to reduce benefit dependency. I therefore welcome the introduction of the Work programme, which is long overdue. It is not covered by this Bill, but has to be viewed alongside it as a complementary measure. The Secretary of State should be congratulated on promoting the role of welfare-to-work providers in getting people into work, and recognising the opportunities that they will create for the unemployed. That is the best approach to take, and the sooner the Work programme is fully functional, the better. Finally, there must be a benefits system that is fair both to the taxpayer and to those who need benefits. I therefore welcome the measures in the Bill that will get people out of the benefits trap by making work pay and removing complexity with the introduction of the universal credit.

I press the Government to use the Bill to take strong action against those who are disregarding the traditional British value of fair play and have been using the benefits system as an alternative to work. We have heard a great deal about that during the debate. The House may be interested to know that more than 500 suspected benefit cheats have warrants issued for their arrest for failing to turn up in court. Despite the levels of suspected fraud, totalling over £50,000 in some cases, because of a ridiculous example of human rights law, defying common sense, the Secretary of State's Department is unable to name these people to help to track them down and bring them to justice, because it would violate their right to privacy. I hope that the Secretary of State and Ministers will look to alter this ludicrous position, and use the Bill as an appropriate vehicle to do something about it. I would also like action to be taken to prevent Europe from ordering us to pay benefits to immigrants, including illegal immigrants, which causes bemusement to most people in this country.

This Bill is not about penalising the vulnerable but establishing a fair system that penalises those who flout rules, abuse the system and think it right that they should have a better life than those who go out to work. That is why I will support it.

6.38 pm

Sheila Gilmore (Edinburgh East) (Lab): Having sat here all afternoon listening to the debate, I see a substantial difference in attitude between the two sides of the House. We have heard the Secretary of State and many speakers talk about the distinction between taxpayers, on the one hand, and claimants, on the other, as though they were two completely different groups of people. They are not. At various times in our lives we may be either or both. It is unproductive to pit these people against each other. There are too many myths and exaggerations in this whole debate.

The Prime Minister launched this Bill by saying that the welfare system had put one in four people out of work. His figures were simply wrong. The figure for those of working age who are not working, and not students or carers, is only 14%, so why did he say that it was one in four? It was simply to try to build up a head of steam to justify what are in fact cuts in benefits. Before the universal credit and all the rest of it comes into force, there will have been two years of benefit cuts. That is why the Government are able to say that people will not be worse off. Most of the reductions in benefits will already have happened through housing benefit, and by taking people off incapacity benefit and putting them on much lower levels of benefit. That is why people will not be worse off, and it is quite unsatisfactory.

6.40 pm

Stephen Timms (East Ham) (Lab): We have had a good debate. The Bill contains one good idea and presents us with two serious problems. The good idea is the merger of out-of-work benefits with in-work benefits, such as the tax credits that we introduced, which make it much more worthwhile to be in a job. The creation of the universal credit has been widely welcomed across the Chamber in this debate, by my right hon. Friend the Member for Birmingham, Hodge Hill (Mr Byrne), as well as by the Chair of the Select Committee on Work and Pensions, and by the hon. Member for Cardiff Central (Jenny Willott), my hon. Friends the Members for Sunderland Central (Julie Elliott) and for Stalybridge and Hyde (Jonathan Reynolds) and my right hon. Friend the Member for Stirling (Mrs McGuire), among others. It is a welcome change, and it is right that we should congratulate the Secretary of State, who has focused intently on this matter since the Conservative party sacked him as its leader. He went off and set up the Centre for Social Justice, which did the spadework, and he now brings the reform to the House.

That was the good idea, but unfortunately the bouquets end there, because the Bill is a mess. It was rumoured on good authority a few weeks ago that it would be delayed another month so that key decisions could be made—and now that we have the Bill, we can see why: fundamental points are missing. How will child care be supported? That is key to the Bill's purpose of ensuring that people are better off in work. If the Government get this decision wrong, the Bill will fail. The Secretary of State told us that he would take further advice from relevant groups. However, the relevant groups have given him plenty of advice already; the trouble is that he has not taken it. The previous Government's success on child care meant that the proportion of lone parents in work increased from 45% to 57%.

The decision on support for child care is crucial. The Secretary of State has told us that he wants to spread the same amount of money across many more people. People will therefore have to find not 3% of the cost of child care out of their own pocket—which is common at the moment—but perhaps 30%. That is a tenfold rise. It is therefore not surprising that lone parent organisations are reporting calls from their members saying that they will not be able to afford to carry on working.

At a time when benefits are being merged into a universal credit, the Government have, bizarrely, decided to do the opposite with council tax benefit and devolve it entirely to local councils. That appears to be the messy outcome of a dispute between the Secretary of State for Work and Pensions and the Secretary of State for Communities and Local Government, which unfortunately this Secretary of State has lost. Local authorities will apparently be free to design council tax benefit as they wish, except that it will have to cost 10% less than before. Again, that could completely scupper the advantages that the universal credit is supposed to deliver. Will the Department for Work and Pensions be able to step in if that happens? We simply do not know.

The Secretary of State was not able to tell us earlier who will receive free school meals in future. That is a crucial piece of information. How can we debate the new system without knowing that?

My hon. Friend the Member for Swansea West (Geraint Davies) made some telling points about the position of self-employed people. We have no idea how the self-employed will be handled under the new system. Employers will notify the DWP of the salary of people in pay-as-you-earn every month so that their universal credit can be calculated—that is, if the Government can get the IT to work. The Secretary of State knows that I am sceptical about his timetable for that. Self-employed people are not in PAYE, so how will their universal credit be worked out? We have no idea, and the Bill does not tell us.

Who will be entitled to free prescriptions? Who will be entitled to mortgage interest support? Which working families will be exempt from the benefit cap? How will unearned income such as child maintenance and widow's benefit be treated? Will disability living allowance continue to be available indefinitely to children? My hon. Friend the Member for Alyn and Deeside (Mark Tami) made a powerful speech about that.

Those are enormous gaps in the Bill on crucial details, not minor matters. The whole purpose of reform, and the point that has been repeated over and over again in the debate, is that everybody wants a system that ensures that people are better off in work. Achieving that goal stands or falls by whether those questions are given the right answers, and at the moment we simply do not know.

The lack of answers is a serious problem with this unfinished Bill, but unfortunately it is not the worst problem. The things that we do not know are only the half of it: the things that we do know turn out to be even worse. Why on earth are Ministers launching an attack on saving? People who receive £80 or £100 a week in tax credits to supplement their earnings will in future receive absolutely nothing at all if they have £16,000 in the bank. They could lose perhaps £5,000 a year as a punishment for having £16,000 in savings. If they get rid of their savings, they will get their credits back. What is that about?

The Secretary of State told us earlier that child care support would be included in the universal credit. That would mean that those people, for the crime of having £16,000 in the bank, would lose all their child care support as well. Why are people on modest earnings to be punished for saving for a deposit to buy a home, or for the massively increased charges for higher education? The Secretary of State told us that 100,000 families would lose everything as a result. He said that he saw no problem with that, but he should go and talk to his colleagues in the Centre for Social Justice, who have made the point that the savings limit for out-of-work benefits is

"an unfair penalty to those who have saved".

Instead of easing that limit, as the CSJ proposed, the Bill extends it to people in work.

The Secretary of State is wrong to say that the welfare system is only for the most vulnerable. My hon. Friend the Member for Erith and Thamesmead (Teresa Pearce) made a telling point about that. It is there for everybody when they need it; that is why we have national insurance. My right hon. Friend the Member for Croydon North (Malcolm Wicks) was right to emphasise that responsibility should be expected from the rich as well as the poor.

Contributory employment and support allowance is to be time-limited to a year. My hon. Friend the Member for Aberdeen South (Dame Anne Begg) made a telling intervention about that, and my hon. Friend the Member for Oldham East and Saddleworth (Debbie Abrahams) also spoke about it. The data suggest that probably less than 20% of those in the work-related activity group returned to work within a year. There is no way that

[Stephen Timms]

someone on oral chemotherapy or with a serious mental health problem can be expected to return to work in a year, so that is clearly wrong.

Robert Flello (Stoke-on-Trent South) (Lab): Does my right hon. Friend accept that there is already a problem with contribution-based ESA, because people are not passported through to other benefits as somebody on income-related ESA might be? There are already difficulties for people in the circumstances that he describes.

Stephen Timms: There certainly are problems. The Government have made much of marginal deduction rates and the impact on work incentives, but it turns out from the small print of the Bill that the changes will increase the marginal deduction rates of many more people than will have them decreased. Again, the Secretary of State's own think-tank has pointed out the problem with the high taper rate that the Government have chosen.

My hon. Friends the Members for Makerfield (Yvonne Fovargue) and for Stretford and Urmston (Kate Green) pointed out that in the tax credits system, benefit in respect of children can be paid to their mother. Sometimes, if all the money went to the father, the children would never see it. The Bill completely ignores that issue.

A lot has been said about disability living allowance, and my right hon. Friend the Member for Sheffield, Brightside and Hillsborough (Mr Blunkett) spelled out powerfully the dangers of what is being done. It is being scrapped and replaced with the personal independence payment—whatever that might eventually turn out to be. A lot of disabled people are frightened, and the Bill to abolish DLA was published before the consultation even finished. We should reform DLA not abolish it, and it is wrong for the Bill to proceed in that way.

As I said earlier, the Bill presents us with one good idea—the universal credit—and two very big problems. The first is all the things that the Bill does not tell us—the large gaps of great significance that have been left in it—and the second is all the things that it does tell us. It needs radical improvement before it reaches the statute book, so I commend the amendment to the House.

6.50 pm

The Minister of State, Department for Work and Pensions (Chris Grayling): I am sorry to follow such a highly negative speech from the Opposition spokesman on an occasion when the Government are bringing before the House an historic Bill that lies at the heart of an historic set of reforms that will reshape the relationship between the Government, the citizen and the welfare system. The Bill strikes a balance between fairness and responsibility, and crucially, it sets out the framework for creating a more effective welfare system that is fit for the 21st century. Above all, the Bill puts in place many more of the building blocks that we will need if we are to tackle the blight of deprivation that affects too many of our communities and too many of our citizens. In the past 13 years, millions of our citizens were left on the sidelines of society, trapped by a culture of dependency, facing financial barriers to a return to work, and with inadequate support to help them to make a return to the workplace, even if their financial position made it sensible for them to do so. All that must now change.

We have had a good and lively debate, and I congratulate all hon. Members who participated in it. Time does not permit me to refer to all the points raised, but I will happily answer questions or letters, and indeed, those who serve on the Public Bill Committee can raise many of the detailed issues in the days and weeks ahead.

Not least among those contributions was a particularly disappointing start by the right hon. Member for Birmingham, Hodge Hill (Mr Byrne), the shadow Secretary of State. He and the Leader of the Opposition have both openly backed the principles of the reforms, and they even put some of the Bill's measures, such as the housing benefit reforms, in their party's manifesto. Yet what did we hear today? They have done a U-turn. They have been captured by the left wing of their party, and are reverting to the politics of type. That is a real shame, because the shadow Secretary of State was right to say that the reforms would benefit from consensus. It is therefore unhelpful to hear Opposition Front Benchers spend so much time seeking dividing lines rather than working with the Government to deliver reforms that will transform this country. The shadow Secretary of State may not realise it, but there is a great degree of consensus about the reforms out there in the country, among people who believe that it is time that we sorted out the mess that has built up around our broken benefits system—a mess that has left millions trapped in dependency.

One of the other disappointments of the debate was that so many Opposition Members reverted to type in the language that they used. Too many couched this debate in the kind of language that I thought we had left behind 20 years ago. Let us be absolutely clear. The reforms are designed to help those in our society who are struggling. The universal credit will help to lift hundreds of thousands of adults and hundreds of thousands of children out of poverty. We are challenging for the first time in far too long the cycle of deprivation that incapacity benefit represents for too many of our fellow citizens. We are providing more individualised support to help people to move back into the workplace.

There are some tough decisions, but for what reason do hon. Members believe that we must take those decisions? It might have something to do with the fact that the Labour Government left us with the biggest deficit in our peacetime history and we must pick up the pieces. As the shadow Secretary of State so aptly reminded us, there was no money left when we took office.

I pay tribute to the right hon. Member for Croydon North (Malcolm Wicks) for saying that the best social security policy is a job. He is absolutely right, and that principle—that simple premise—lies at the heart of our reforms and the change that we are seeking to deliver.

Let me also address the point about the gaps in the Bill, which was raised many times this afternoon. I remember being up against the right hon. Member for East Ham (Stephen Timms), the shadow Minister, in Public Bill Committees when he was in government. Some of those Bills had virtually no substance at all to them. This is a bit like the poacher turning gamekeeper, but it is pretty ripe for him to turn round and say that not all the details have been included. What I would say to the House is this. As we work through the Bill in Committee, we will deliver detail to the Opposition at each stage on how we plan to put the measures into practice. We will answer questions and be as open as we possibly can, including in saying where work still needs to be done. The Committee will, I hope, be an exercise in discussion and debate, and we will inform it to the best of our abilities, because these reforms are vital. Making work pay will transform lives, especially for the poorest, through the universal credit, the single taper and getting rid of the complexity that has dogged our system. Members on both sides of the House will know about all the problems that we have had with tax credits over the years and all the constituency cases that have come to us. They should realise that this Bill sweeps all that away. A simpler system for our constituents and a simpler system for society—this is a better way of doing things.

Many of the clauses in the Bill are also vital to the conditionality changes that will underpin the delivery of the Work programme, helping to deliver much better back-to-work support for those struggling to get into work. We have always been clear that there needs to be a clear two-way contract between individuals and the state. We will provide much better back-to-work support and a system that makes work pay, but refusing that support cannot be an option for those with the potential to work. This Bill will place clear and firm responsibilities on their shoulders, and will bring clear consequences if they fail to live up to those responsibilities.

This Bill is about taking a step in the right direction towards a more common-sense welfare system that targets resources more effectively to the vulnerable, but also restores credibility in our welfare system. That is why we have tackled the insanity of a system that can pay housing benefit to people in quantities far beyond what those in work might expect to be able to afford when finding a house for themselves. That is also why we are introducing the benefit cap, so that we remove perverse disincentives to work. Last week I sat with an adviser in a Jobcentre Plus office who said to me, "The thing I find strange is this: why am I organising payouts to people who get far more money than I do, and I'm doing a job?" That is the kind of situation that we have to address.

That is also why we are getting to grips with reforming the disability living allowance, so that we can move away from an unsustainable welfare state and a system where we leave people for long periods, untouched, uncontacted and unchecked. We do not ask the question, "Is this still right for you?" That is what the changes are about, and they are necessary.

Despite the rhetoric, Opposition Members have said that they believe that it is time for reform, and this is why we are pressing ahead with it. We are also sorting out the mess that is child maintenance in this country. Finally, we are doing something that I am very proud of—something that Opposition Members called for, but which the previous Government did not do: putting an end to jobcentres having to accept adverts from sex clubs or lap-dancing clubs in a way that exploits the most vulnerable women in our society. In short, the Welfare Reform Bill is about putting responsibility, fairness and common sense back into the heart of the welfare system, while ensuring that we deliver value for money for hard-working taxpayers.

Andrew Gwynne (Denton and Reddish) (Lab): Will the Minister give way?

Chris Grayling: No, I am not going to give way.

Before I conclude, let me briefly touch on a couple of points raised by hon. Members. The Chair of the Work and Pensions Committee, the hon. Member for Aberdeen South (Dame Anne Begg), raised the issue of contributory ESA. I want to make two points to her. The first is that all those who move off incapacity benefit who fit into the contributory bracket will be given access to the Work programme regardless of their status. That is important in ensuring that they receive back-to-work support. However, I would also remind her that the changes to ESA simply bring it into line with JSA. It is a simple principle that, if someone has financial means in their household, the state will not support them. The state will be there to provide a safety net for those who do not have the means to support themselves. That is a sensible principle. We have extended the period beyond six months, so that we can deliver support to people with health problems, but it is sensible to have an aligned system. I will be happy to talk further with the hon. Lady in Committee or in the Select Committee.

Clive Efford (Eltham) (Lab): Will the Minister give way?

Chris Grayling: No.

This is an important set of reforms and I commend the Bill to the House.

Question put, That the amendment be made.

The House divided: Ayes 244, Noes 317.

Division No. 219] **[6.59 pm**

AYES

Abrahams, Debbie
Ainsworth, rh Mr Bob
Alexander, Heidi
Ali, Rushanara
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Begg, Dame Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burnham, rh Andy
Byrne, rh Mr Liam
Cairns, David
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill

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Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Hosie, Stewart
Hunt, Tristram
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jarvis, Dan
Johnson, rh Alan
Johnson, Diana
Jones, Graham
Jones, Helen
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lavery, Ian
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Llwyd, rh Mr Elfyn
Long, Naomi
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacNeil, Mr Angus Brendan
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme *(Livingston)*
Morris, Grahame M. *(Easington)*
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Riordan, Mrs Linda
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Whiteford, Dr Eilidh
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Jonathan Reynolds and Mr David Anderson

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, rh Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael

Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, rh Simon
Hunt, rh Mr Jeremy
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Leech, Mr John
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Parish, Neil
Patel, Priti
Penrose, John
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, rh Mr Andrew
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Henry
Smith, Julian
Soames, Nicholas
Soubry, Anna
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Tapsell, Sir Peter
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Mark Hunter and
Miss Chloe Smith

Question accordingly negatived.

Question put forthwith (Standing Order No. 62(2)).

That the Bill be now read a Second time.

The House divided: Ayes 308, Noes 20.

Division No. 220] **[7.15 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Benyon, Richard
Beresford, Sir Paul
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Sir Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burrowes, Mr David
Burstow, Paul
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, rh Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Clappison, Mr James
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Clarke, rh Mr Kenneth
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Crockart, Mike

Crouch, Tracey
Davies, David T. C.
(Monmouth)
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
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Dunne, Mr Philip
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Eustice, George
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Evans, Jonathan
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Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Grayling, rh Chris
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Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, rh Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kirby, Simon
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Leech, Mr John
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Parish, Neil
Patel, Priti
Penrose, John
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, rh Mr Andrew
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Ruffley, Mr David
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Soames, Nicholas
Soubry, Anna
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Iain
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Syms, Mr Robert
Tapsell, Sir Peter
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Willott, Jenny
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Wright, Simon
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
James Duddridge and
Mr Shailesh Vara

NOES

Campbell, Mr Ronnie
Clark, Katy
Connarty, Michael
Corbyn, Jeremy
Cruddas, Jon
Durkan, Mark
Edwards, Jonathan
Havard, Mr Dai
Hosie, Stewart
James, Mrs Siân C.
Llwyd, rh Mr Elfyn
Long, Naomi
Lucas, Caroline
MacNeil, Mr Angus Brendan
McDonnell, John
Robertson, Angus
Sheridan, Jim
Skinner, Mr Dennis
Whiteford, Dr Eilidh
Wood, Mike

Tellers for the Noes:
Kelvin Hopkins and
Hywel Williams

Question accordingly agreed to.

Bill read a Second time.

WELFARE REFORM BILL (PROGRAMME)

Motion made, and Question put forthwith (Standing Order No. 83A(7)),

That the following provisions shall apply to the Welfare Reform Bill:

Committal

1. The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Tuesday 24 May 2011.

3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

7. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed.—*(Norman Lamb.)*

Question agreed to.

WELFARE REFORM BILL (MONEY)

Queen's recommendation signified.

Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),

That, for the purposes of any Act resulting from the Welfare Reform Bill, it is expedient to authorise—

(1) the payment out of money provided by Parliament of—

(a) sums paid by the Secretary of State by way of universal credit or personalindependence payment,

(b) any other expenditure incurred in consequence of this Act by a Minister of the Crown or the Commissioners for Her Majesty's Revenue and Customs, and

(c) any increase attributable to the Act in the sums payable under any other Act out of money so provided, and

(2) the payment of sums into the Consolidated Fund.—*(Norman Lamb.)*

Question agreed to.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

SOCIAL SECURITY

That the draft Jobseeker's Allowance (Work Experience) (Amendment) Regulations 2011, which were laid before this House on 26 January, be approved.—*(Norman Lamb.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

ENVIRONMENTAL PROTECTION

That the draft Waste (England and Wales) Regulations 2011, which were laid before this House on 8 February, be approved.—*(Norman Lamb.)*

The Speaker's opinion as to the decision of the Question being challenged, the Division was deferred until Wednesday next (Standing Order No. 41A).

Motion made, and Question put forthwith (Standing Order No. 118(6)),

LICENCES AND LICENSING

That the draft Licensing Act 2003 (Royal Wedding Licensing Hours) Order 2011, which was laid before this House on 9 February, be approved.—*(Norman Lamb.)*

Question agreed to.

PETITIONS

Education Maintenance Allowance

7.28 pm

Keith Vaz (Leicester East) (Lab): A few weeks ago, my hon. Friends the Members for Leicester South (Sir Peter Soulsby) and for Leicester West (Liz Kendall) and I launched—

Mr Speaker: Order. I apologise for interrupting the right hon. Gentleman, but may I appeal to Members who are leaving the Chamber to do so quickly and quietly, so that we can hear him present his petition?

Keith Vaz: Thank you very much, Mr Speaker, for your protection, which I appreciate greatly.

As I was saying, a few weeks ago, my hon. Friends the Members for Leicester South and for Leicester West and I launched a city-wide petition against the Government's proposals to abolish the education maintenance allowance. Over the next few evenings, we will each be presenting petitions from various educational institutions. This petition has been collected by those who study at Gateway college, in Hamilton, in my constituency, where the principal is Suzanne Overton-Edwards.

The petition states:

The Petition of residents of Leicester and the surrounding areas,

Declares that the Petitioners oppose the abolition of the Education Maintenance Allowance; notes that a substantial number of young people are in receipt of the Education Maintenance Allowance in Leicester; and further notes that education can provide a better future for young people.

The Petitioners therefore request that the House of Commons urges the Government not to abolish the Education Maintenance Allowance.

And the Petitioners remain, etc.

[P000897]

Teaching Assistants

7.30 pm

Tony Cunningham (Workington) (Lab): I would like to present this petition on behalf of Marie Steele and more than 120 classroom assistants from west Cumbria who are both angry and upset at Cumbria county council's single status proposals.

[Tony Cunningham]

The petition states:

The Petition of residents of Cumbria, and others,

Declares that the Petitioners are concerned about the plight of Teaching Assistants in Cumbria, who feel they are being unfairly treated and whose professionalism is severely under threat. The Teaching Assistants/support staff across the county are currently fighting a change to their terms and conditions that affects their hours and a considerable loss of pay. Support staff are a vital resource for the running of a school. Senior Teaching Assistants also cover classes when teachers are absent or on planning time.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Education to look into the plight of Teaching Assistants.

And your Petitioners, as in duty bound, will ever pray.

[P000898]

Portsmouth-London Railway Line

Motion made, and Question proposed, That this House do now adjourn.—*(Norman Lamb.)*

7.32 pm

Penny Mordaunt (Portsmouth North) (Con): I wonder, Mr Speaker, whether on your outreach trips up and down the country you travel by rail. If you do, I wonder whether you like to look at your speech en route and to travel with your elbows. These are pertinent questions should you intend to come to Portsmouth to give us the benefit of your wisdom, for it seems that South West Trains expects its passengers not only not to work while travelling in standard class but not to have elbows either. A report commissioned by South West Trains on the ergonomics of its class 450 carriages, which are now on half the Portsmouth-London line, found that 59% of people, when their elbows are taken into account, will not fit into the seats. My admittedly anecdotal evidence shows that most people prefer to travel with their elbows most of the time. The only sense that one can make of that bald admission by South West Trains is that it explains why there are no arm rests on those services.

Allow me to describe the conditions in the class 450 Desiro carriage. The seats are arranged in a two-plus-three formation, so there are five seats across the width of the train. Each seat is 43 cm wide, but, crucially, there is no space between them. They are hard, they have no arm rests and the seat closest to the window is compromised by the heating channel encroaching into the foot space. Earlier today, I took the liberty of measuring out, on this very Bench, 129 cm from the Gangway and invited three hon. Friends to attempt to squeeze themselves into the space they would have for a 90-minute journey on the London-Portsmouth line. I am sorry to say that if my hon. Friends had been in a class 450 carriage, my hon. Friend the Member for Gosport (Caroline Dinenage) would have been 90% in the aisle. I hardly need to remind the House that this is the usual seat of my hon. Friend the Member for Louth and Horncastle (Sir Peter Tapsell), who, as we all know, is not a man to be crowded. We are accustomed to regular games of sardines as we squeeze ourselves into a Chamber with too few seats; if we cannot do it, what hope do others have? Crucially, we are content with this arrangement; we approved of the decisions of our predecessors to create a Chamber deliberately short of seats, but Portsmouth commuters are not content to play sardines every day.

Damian Hinds (East Hampshire) (Con): I congratulate my hon. Friend on securing this important debate. Is she aware that this issue affects not only Portsmouth commuters but many of my constituents in Liss, Liphook and Petersfield, and that the same trains are used on the Alton line? Sometimes it is an issue not just of comfort but of health and safety—people with back trouble and so on.

Penny Mordaunt: My hon. Friend is absolutely right. I know that he has done a tremendous amount of work liaising with his constituents, especially those who commute to London, on this issue. He might also be aware that in 2005, when the 550 operated from Waterloo to Basingstoke and Alton, the Rail Passengers Council—the forerunner of Passenger Focus—said that the 450's seating arrangements were

"only reasonable for the route on which they were run"—

that is, not suitable for a mainline service. Why, then, were those unsuitable carriages introduced to the Portsmouth-London line on 65% of the services in October 2006, before being scaled back again to 49% late in 2007? South West Trains claims that it met an urgent need to address overcrowding on the route, based on the 2005-06 passenger figures—a full 12-carriage rake of 450s having 140 more seats than the 10-carriage 444 rakes. Those passengers-in-excess-of-capacity figures for peak times showed that of the 23 services operated with the 444 carriages, only five showed standing figures of almost 100 or more, the worst being 272.

Mr Mike Hancock (Portsmouth South) (LD): I congratulate the hon. Lady on securing the debate. I am sure she would agree that South West Trains makes easyJet look luxurious. But the real problem, surely, was the way in which the figures were massaged to suit the financial interests of South West Trains rather than the interests of the paying passengers. Does she agree that we should be a little more optimistic that the Minister this time will be a bit more successful in persuading South West Trains to do something about that than was her Labour predecessor, who tried and never got anywhere?

Penny Mordaunt: I thank the hon. Gentleman for that intervention. I will come to precisely those points and lay them before the House. I make no judgments, but I think the figures will speak for themselves. I also wish to offer the Minister some solutions, because it is part of the frustration for many commuters that the answers in terms of volumes of rolling stock are there.

Overcrowding is concentrated between Waterloo and Woking—the leg of the route that just takes the first 25 minutes. It should be recognised that trains between those stations operate about every four minutes. Those commuters have options, and the journey is suitable for a 450 carriage. Also, it seems that it is acceptable to have 97 people standing, as the eight-carriage 450 service—the 6.32, I believe, from Haslemere—that showed that figure did not need to expand. Admittedly, there is not the option there simply add a single coach, but the point remains.

Further undermining the argument that overcrowding must be addressed is the fact that the 140 extra seats cannot actually be used. People either cannot fit into them or choose not to. Portsmouth city council's March 2010 survey found that 80% of people boarding south of Haslemere are not confident of getting a seat at busy times in a 450 carriage.

Caroline Dinenage (Gosport) (Con): The residents of Gosport hugely appreciate my hon. Friend's securing of this Adjournment debate. I wonder whether she understands that South West Trains has an awareness that it is not just commuters from Portsmouth who board those trains; it is also commuters who then go across to the Isle of Wight, and of course those who catch a ferry over to Gosport, which is one of the largest towns in the country without its own railway station.

Penny Mordaunt: I thank my hon. Friend for her intervention. South West Trains cannot be anything other than aware of the enormous numbers of people who have been affected. As my hon. Friend the Member for Portsmouth South (Mr Hancock) said, the problems have been going on for many years, and it is a source of great frustration that no solution has yet been found.

Returning to the number of seats and the difficulty of getting a seat south of Haslemere at busy times, 25% of people cannot find a seat at all. If it were a simple matter of the number of seats, there would not be such problems. We have a situation in which similar numbers of people might end up standing, but in a much narrower gangway. Network Rail reports that food sales at its stations are up 5%. I am sure Portsmouth residents are doing their bit, stocking up before boarding in the knowledge that the at-seat trolley service will be hauled up somewhere around the lavatory, where it will be in good company with the similarly impeded train guard.

The Association of Train Operating Companies reported 1.32 billion passenger journeys in 2010, 7% up on 2009 and 37% up on 2000—indeed, a number not seen since commuters could enjoy the charms of steam power. We should not allow this top-line figure to distort the true pattern of travel on individual lines. Even as a response to increased demand, the provision of more unusable seats is hardly adequate. In any case, surely it was a disproportionate response to replace 450s on more than 50% of weekday services, when only 10 or so out of 133 weekday services showed high numbers of standing passengers.

We must wonder why, if overcrowding were the only motivation for change, services that were not overcrowded or had only, say, 10 standing passengers were replaced with the 450s. Outside peak times, the service is not at all stressed, yet during the week 53% of services are formed of 450 trains. Although I do not make any allegations—I merely offer the House the information—the carriage leasing company, Angel Trains, has confirmed that the 444 is as much as 20% more expensive to lease than the 450.

In the face of repeated lobbying from passengers of South West Trains, the company has held firm to the line that it must increase capacity. It has succeeded in increasing the number of seats. It has not succeeded in increasing the number of places to sit. A seat on which one cannot sit is a seat in name only. South West Trains dismisses criticism of the 450 carriages as mere "comfort" concerns and a simple preference for the 444. Well, quite. The 444s have two plus two seating, tables, arm rests and seats 45 cm wide, with a 4 cm space between them. What's not to like?

What makes the situation even more frustrating for commuters is that South West Trains has 45 carriage units of 444 carriages. Passenger groups have devised service diagrams that show that a full 444 service could be operated with just over half that number. There is thus no need for passengers to endure the discomfort that at present is their lot. I accept that service programmes are a complex business and changes could have implications for other lines, although my research shows that these would not be detrimental.

The cause of passengers is not helped by the fact that there are no departmental guidelines on comfort. Comfort does not feature in any rail franchise agreements, or for that matter in the recent Reforming Rail Franchising consultation. However, the Department for Transport is alive to the dangers of inadequate provision being foisted upon passengers. The national rail franchise terms state that, excluding additional passenger services,

> "the Franchisee shall maintain the composition of the Train Fleet during the Franchise Term, unless the Secretary of State otherwise agrees, such that there are no changes to the Train Fleet, including changes

[Penny Mordaunt]

> (a) to the classes or types;
>
> (b) to the interior configurations; or
>
> (c) which may reduce the journey time capabilities, of any rolling stock vehicles specified in the Train Fleet."

It is true that franchises might be negotiated with a change of stock in mind, but patently the Department accepts the need to protect passengers. Furthermore, the coalition programme for government states:

> "We will grant longer franchises in order to give operators the incentive to invest in the improvements passengers want."

Such improvements include better services, better stations, longer trains and better rolling stock. The problem is that there is no incentive for train operating companies on mainline routes, as they operate in a protected market, and frequently have a monopoly. Contrary to what some TOCs said in their submissions to the consultation, inter-city lines have less competition than suburban lines. Cars and coaches are simply not viable alternatives, and certainly not if one hopes to work while travelling.

It is with hope and expectation, therefore, that I seize on the Government's statement in their response to the franchise consultation:

> "For intercity services revenue incentives may be sufficient to encourage operators to continue to strive to maintain and improve service quality. However, we may ask bidders to commit to quality improvements which are within their control, such as onboard environment; station environment; customer service and information."

First, what is the need for better comfort, if not to improve the onboard environment? The Department for Transport should produce guidelines on passenger comfort for each type of railway line, and they should become mandatory minimum requirements in future rail franchise agreements. It should be made plain to franchise holders that failure to meet the guidelines before renewal dates will compromise their suitability to continue as operators.

Secondly, it is within the control of South West Trains to improve its service now. It has the carriages; the rail passenger groups have the service diagrams. If South West Trains contends that it could restore the 444 services to the London-Portsmouth line only by leasing more of them and putting up prices, I would ask why prices did not come down when the cheaper 450s were introduced. I hope that the Minister will prevail on South West Trains to look at how the distribution of carriages could be realigned so that no service is disadvantaged by the improvements to the Portsmouth line. South West Trains and the Department should look at what carriage capacity is available, and open dialogues with other TOCs if necessary.

Thirdly and finally, I would ask that a meeting be convened at which departmental Ministers and officials, Members of Parliament and passengers groups can discuss with South West Trains what must change and how quickly it can be done. People such as David Habershon, Bruce Oliver and John Holland, who have done so much to represent their fellow commuters, and to help me prepare for this debate, should be able to address their concerns directly to SWT executives across the table. Commuters on the London-Portsmouth line pay handsomely for their rail tickets. In return they should be able to travel to our capital for business or pleasure without being in discomfort or running the risk of doing themselves harm. South West Trains does a good job in many respects. It has the power to put right what it has got wrong, and I hope that it will do so in short order.

7.48 pm

The Minister of State, Department for Transport (Mrs Theresa Villiers): I congratulate my hon. Friend the Member for Portsmouth North (Penny Mordaunt) on securing this debate. She made her case with great clarity and determination—she is a steadfast defender of her constituents' interests. The first question that I should like to answer concerns the meeting she requested: I would be happy to meet her to discuss this further.

I fully appreciate how important rail services are for the residents of Portsmouth North—my hon. Friend's constituents—and I am very much aware of the concerns that have been raised about the provision of class 450 rolling stock on the London-Portsmouth main line, which is an essential artery connecting communities across Hampshire, Surrey and south-west London. The provision of reliable rail services on the line is enormously important for economic activity and growth along the route. Nearly 7 million passenger journeys were made to and from Portsmouth stations in 2009-10.

To answer the questions asked by my hon. Friend, some explanation is required of the contractual history of the SWT franchise. The current Stagecoach South Western Trains franchise was competitively tendered by the previous Government in 2006, with the contract commencing in February 2007. All bidders were required to give a commitment to lease both the class 450 and the class 444 rolling stock for the life of the franchise term, because the Strategic Rail Authority—a body now disbanded but which at the time handled franchise decisions for the Government of the day—gave a statutory undertaking to the rolling stock company that owned the trains. That arrangement, known as a section 54 undertaking, was part of the funding package agreed to replace the older slam-door stock, which had operated in the south-west since the '60s.

New-build class 444s and 450 electric multiple units were phased in between 2001 and 2007. If the previous Government had not required the operator to lease the trains, the taxpayer might have been left to foot the whole bill. Although the section 54 undertaking requires SWT to lease the trains, the operator takes the decisions on where to deploy the rolling stock across the different parts of the franchise network to address capacity problems as efficiently as possible.

As we have heard from my hon. Friend, SWT deploys a mixture of class 444s and 450s on services between Portsmouth and London. A 10-car maximum formation class 444 provides 598 seats, whereas a 12-car maximum formation class 450 provides 738 seats. My hon. Friend is rightly and understandably focused on the concerns of her constituents, but the train operator needs to balance the competing interests of different communities that use the services provided by the franchise.

Mr Mike Hancock: Is the Minister in a position to ask her Department to examine the figures that justified the decision by South West Trains to move the rolling stock away from Portsmouth to elsewhere? Is she able to argue that those figures are somewhat arbitrary to say the least and totally misleading in most cases?

Mrs Villiers: I am always happy to respond to the concerns of colleagues; I am happy to look at the numbers again and ask my officials to do that. As I shall point out later, however, there are very real capacity problems on the line that would be difficult to address without the use of class 450s.

Penny Mordaunt: The key part of my argument, which I hope the Minister will understand, is that South West Trains has not addressed overcrowding on the line. The fact that spaces for people to sit are provided does not mean that people have space to sit down. The group of people who suffer overcrowding potentially are the same group of people who suffer painful and uncomfortable seats. They are the same group of people who are asking for the new trains.

Mrs Villiers: I very much understand my hon. Friend's concern, but in reality we—the Government and the train operator—have to balance the interests of different communities along the line. Even if it were affordable to replace all the 450s with class 444s, and even if they were used on all services, it would have a significant detrimental impact on people further up the line, many of whom would not be able to get a seat as a result. I shall come to that in a moment, however.

The most recent route utilisation strategy work makes it clear that the infrastructure is just too full to deliver additional trains. That leaves limited options for relieving overcrowding, one of which is to use longer trains with more seats, which the operator has chosen to do. The seats on the 450s provide vital capacity for passengers closer to London. If SWT were to use class 444s for all Portsmouth services, it would worsen peak crowding problems from stations such as Guildford and Woking. More passengers would have to stand between Woking and London than do today, and removing 450s from the Portsmouth to London route might have other knock-on effects, such as displacing the class 450 carriages on to the Weymouth line, where journey times are even longer than from Portsmouth to London.

We all accept that key crowding between Portsmouth to London occurs during peak hours. In response to public concern of the sort that my hon. Friend has raised, SWT has promised to use 444s in the off-peak where it can. The extent to which it can do this, though, is dependent on complex issues to do with timetabling and the availability of trains and train crew. These complexities flow from the intense use we make of our railways and the need to deploy rolling stock and staff in a way that generates maximum passenger benefits. That means that some off-peak trains have to be class 450s to ensure that they are in the right place for the peak-time slots.

My hon. Friend set out her view that three-plus-two seating is not suitable for services on journeys of the 90-or-so minutes that her constituents face in getting to London. I can understand her concerns. However, three-plus-two seating is currently deployed on a number of routes with comparable journey times—for example, journeys between London stations and Margate, and London Liverpool Street and Ipswich. Issues of health and safety are the responsibility of Her Majesty's railway inspectorate and the Office of Rail Regulation. Neither of those bodies, I am afraid, has sought to restrict the use of class 450s on longer-distance journeys.

At the heart of my hon. Friend's speech is the request that the Government should introduce new requirements on rolling stock seating into current and future franchises. I hope that she will understand that to intervene in the current franchise and require SWT to change its rolling stock would involve renegotiating contractual terms. This always comes at a cost to the taxpayer—a cost that I am afraid we can ill afford when we are striving to address levels of borrowing inherited from the previous Government which are the highest in our peacetime history. Looking forward to what might be included in the next franchise, she will be aware that the decisions that the Government make on the railways are constrained by a number of factors, including infrastructure capacity, affordability and value for money.

The experiences of my hon. Friend's constituents reflect some of the very difficult trade-offs that are made on our railways every day of the year. I acknowledge, of course, that many passengers in Portsmouth would probably prefer the environment and the seating pattern of class 444 carriages rather than class 450s. However, for the practical reasons that I set out in my response about crowding levels further up the line and infrastructure limitations, I would be unwise to make promises on the pattern of rolling stock use on the Portsmouth line in the future. Changes of the sort that she would like in relation to the seating patterns on trains would have a significant impact on the affordability of the franchise process.

As well as these practical considerations, there is another reason why I am reluctant to make declarations on rolling stock deployment on the south-western franchise in years to come. We are in the process of reforming franchises, and we have recently completed a consultation on this. A significant element of the approach that we propose would involve giving railway professionals greater flexibility to make key operational decisions to enable them to react more effectively to passenger needs and to run their services in a more commercial way. We do not envisage specifying detailed operational issues such as the seating layout of rolling stock required on specific routes, as we do not believe that it makes sense to take that sort of decision in Whitehall. We want instead to put in place the right incentives to ensure that operators respond to passengers during the period of their franchises. We will therefore be looking to include demanding requirements on service quality.

Penny Mordaunt: I would very much like to hear from the Minister a commitment on this and an understanding of the implications of these types of seating, especially over long journeys. While I acknowledge that these trains are being used for longer journeys elsewhere, this is causing a tremendous amount of physical damage. People are having to employ osteopaths and chiropractors and are really suffering. It is not just a comfort but a health and safety issue. There are a wide range of options—for example, sticking the different trains together when they get to Guildford. Often, trains join up when they get to Guildford, and class 450 carriages can be put on when they get to Guildford and Woking to allow other commuters to use them. If they are in operation down in Portsmouth, people will sit on the comfier seats first. Also, there is other rolling stock that the Department is trying to do something with—I think that they are called class 460s and they used to be on the Gatwick

[Penny Mordaunt]

line. There must be a solution to this out there, and I urge the Minister to pull the train operating companies together to try to find it.

Mrs Villiers: I am happy to work with my hon. Friend and the train operating company to see whether there are alternatives that have not been considered which can be brought into play without unfairly compromising the interests of passengers on a different part of the route, and without affecting the affordability of the franchise for taxpayers and fare payers. I encourage her to continue this dialogue with the train operator, and I am happy to take part in that. I think she will accept that I cannot promise to issue a directive to train operating companies on the detail of the seating plans of their rolling stock. That would not be affordable and it is not the right long-term option for the management of the railways in this country.

I appreciate the opportunity to debate this issue with my hon. Friend. As I have said, I am happy to continue to work with her to see whether a compromise can be found. I look forward to meeting her, and perhaps other colleagues who have attended this debate, to discuss the matter further.

Question put and agreed to.

8 pm

House adjourned.

House of Commons

Thursday 10 March 2011

The House met at half-past Ten o'clock

PRAYERS

[Mr Speaker *in the Chair*]

Oral Answers to Questions

TRANSPORT

The Secretary of State was asked—

Renewable Energy Directive

1. **Richard Graham** (Gloucester) (Con): What recent representations he has received on the sustainability criteria in the renewable energy directive related to transport fuels; and if he will make a statement. [45274]

The Secretary of State for Transport (Mr Philip Hammond): I have received recent representations on the renewable energy directive biofuels sustainability criteria from a number of non-governmental organisations, including the Royal Society for the Protection of Birds, Greenpeace and Friends of the Earth. We share some of their concerns regarding the sustainability of some biofuels. For that reason, we propose to take a cautious approach, as set out in the consultation we have launched today on proposals to implement the transport elements of the directive and the associated fuel quality directive.

Richard Graham: I am grateful to the Secretary of State for his answer. This morning I spoke with the owner of the 160-year-old haulage company, Joseph Rice, in my constituency of Gloucester, which is going into receivership. He believes that others might follow before long. Does the Secretary of State agree that the Government should do what they can to help the sector, whether through incentives on biofuel or by reviewing things such as vehicle excise duty and road charges?

Mr Hammond: As my hon. Friend will know, matters relating to vehicle excise duty are for my right hon. Friend the Chancellor. We believe that the future of the road freight sector depends on being able to decarbonise it, and at the moment the only viable option for decarbonisation is biofuel. Therefore, we believe that it is important that we prioritise available sustainable feedstocks for biofuels for use in sectors where no alternative viable options are available.

Kerry McCarthy (Bristol East) (Lab): I welcome the fact that the Secretary of State has said that there will be a consultation, because there was concern that we would rush towards implementation of the directive without people being able to discuss the related issues—but I am slightly concerned that he says that there are no sustainable alternatives to biofuels. As part of the consultation, will he seek advice on other suggestions being made by people working in this field so that we can move away from using biofuels and the subsequent impact on food crops and deforestation?

Mr Hammond: Our concerns are twofold: our approach is, of course, technology-neutral, but if alternative and sustainable solutions are suggested, we will be happy to look at them, and our focus must be on ensuring that the European Union, in its enthusiasm for biofuels, does not lose sight of the negative carbon impacts that some approaches to biofuel can have. We want to look at the whole lifecycle carbon effects of biofuel use, particularly the indirect land use effects.

Martin Horwood (Cheltenham) (LD): I am glad that the Secretary of State has mentioned indirect land use impacts, and I welcome the statement made this morning by the Under-Secretary of State for Transport, my hon. Friend the Member for Lewes (Norman Baker), which explicitly highlighted the risks of indirect land use change as a result of imported biofuels. I ask for a joined-up approach to biofuels across Government. What discussion has the Secretary of State or his Department had with other Departments, particularly the Department for Communities and Local Government?

Mr Hammond: We have very regular discussions with my right hon. Friends the Secretaries of State for Energy and Climate Change and for Environment, Food and Rural Affairs.

Blue Badge Scheme

2. **Mike Freer** (Finchley and Golders Green) (Con): What recent representations he has received on his proposals for reform of the blue badge scheme. [45275]

The Parliamentary Under-Secretary of State for Transport (Norman Baker): I have held recent meetings on blue badge reform with the British Parking Association and representatives from a range of disability groups, including Mobilise, the Joint Committee on Mobility for Disabled People and the Disabled Persons Transport Advisory Committee. These groups have welcomed our plans to modernise the scheme.

Mike Freer: I thank the Minister for that answer. Blue badge fraud costs £46 million a year, so can he tell the House what more can be done to combat it?

Norman Baker: I am grateful to my hon. Friend for his question, and I agree that abuse of the scheme is a serious problem that prevents those who need to access disabled parking spaces from doing so, as a fifth of all badges are improperly used. I am pleased to be able to tell him that the steps I announced recently include steps to combat fraud, including a new badge design that will be harder to alter or forge, a new administration system that will enable local authorities to check details of new badges issued anywhere in England, and new powers for local authorities to cancel or seize badges.

Mark Durkan (Foyle) (SDLP): If the Department for Work and Pensions is seeking a 20% reduction in the entitlement to the mobility component of disability living allowance in the switch to the personal independence payment, has the Minister any estimate for the consequent reduction in blue badge eligibility?

Norman Baker: We are not changing the eligibility criteria for blue badges as part of the reform package.

High-speed Rail

3. **Lorely Burt** (Solihull) (LD): What recent progress he has made on implementation of the high-speed rail link between London and Birmingham; and if he will make a statement. [45276]

The Secretary of State for Transport (Mr Philip Hammond): The Government believe that a national high-speed rail network would promote economic growth and the diversification of the UK economy. On 28 February I launched a major public consultation on the case for such a network and on the proposed route for an initial line. The consultation will run until 29 July, and following that consultation a decision will be taken by the end of this year.

Lorely Burt: I am grateful for that answer. We understand from the consultation that some businesses which will benefit from High Speed 2 might be asked to contribute towards the cost. That might be reasonable, but as the national exhibition centre and Birmingham airport will be asked to help with the cost of the proposed interchange station, will the Government be reasonable in giving assurances about west coast main line improvements and regional aviation policy, in order to enable them to achieve the visitor and passenger numbers that they will need?

Mr Hammond: Both Birmingham airport and the national exhibition centre are extremely supportive of the High Speed 2 proposals. The consultation is predicated on the entire line being built with public money, but it also says that we think there will be opportunities for private sector development-led funding of some of the station infrastructure, and that is what we will discuss with private sector partners such as the NEC and Birmingham airport.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): May I urge the Secretary of State to keep his nerve on this matter? I welcome the consultation, and our cities need high-speed links—certainly in Yorkshire and in the northern regions. May I urge him in addition to ignore some of the deniers—they are also climate change deniers—who have had letters published in the newspapers this morning?

Mr Hammond: I am grateful to the hon. Gentleman for that comment. Those who oppose the building of the line have clearly identified themselves and their direct interests in this matter. It is now for those who will stand to benefit the most, particularly in our great northern cities, to voice their support during the consultation period.

Tony Baldry (Banbury) (Con): Has my right hon. Friend seen the letter today in *The Daily Telegraph*, signed by, among many, Lord Lawson of Blaby, who many of us felt during his time in the House was an outstanding Conservative Chancellor of the Exchequer?

Mr Hammond: Yes, I have seen it.

Mr Speaker: We are extremely grateful to the Secretary of State for that pithy reply.

Ultra-light Rail

4. **Tom Brake** (Carshalton and Wallington) (LD): What cost-benefit analysis his Department has undertaken of ultra-light rail. [45277]

The Parliamentary Under-Secretary of State for Transport (Norman Baker): Last year I initiated a review of light rail to establish how construction and operational costs might be reduced. The terms of reference include ultra-light rail, and the report is due shortly.

Tom Brake: Will the Minister work with London's Mayor and examine the viability of ultra-light rail systems, or indeed their big brother, tram systems, in connecting Croydon with Sutton?

Norman Baker: I am very keen to make light rail more economically sensible, and that is covered by the review, which will, I hope, lead to changes that enable light rail to be extended to other areas of the country. We have done so already with the Midland Metro system and in Nottingham, and I am very happy to talk to the Mayor about what might be helpful for London.

Kelvin Hopkins (Luton North) (Lab): Is there not a stark contrast between the continent of Europe, where light rail and ultra-light rail schemes are going full speed ahead, and Britain, where we cannot seem to get them to work at all? Is not the full cost of digging up and replacing all the utilities under the road loaded on to the transport schemes? Those costs should be taken out of such schemes and paid for directly by the state.

Norman Baker: I understand that the construction costs per mile are much higher here than in other countries, and that is one reason why I initiated the review. Many representations have also been made to me about the precise matter that the hon. Gentleman raises—the cost associated with utilities—and that is a central part of the review I am undertaking.

Rail Transport (South-east)

5. **Amber Rudd** (Hastings and Rye) (Con): What steps his Department is taking to improve rail transport in the south-east. [45278]

The Minister of State, Department for Transport (Mrs Theresa Villiers): Despite the crisis in the public finances, the Government have secured investment of more than £18 billion in rail capital projects, including Thameslink and Crossrail, which will deliver major benefits to the south-east as well as to the national economy. To protect the interests of passengers, the Department for Transport also monitors the performance of train operators under their franchise contracts.

Amber Rudd: The issue in the south-east seems to be capacity, and we cannot continue to put ever more passengers on the same lines. Does the Minister agree that an upgrade of the Brighton to Ashford line might increase capacity and improve the quality of travel for passengers, and that it would be a great addition for all residents of the south-east?

Mrs Villiers: My hon. Friend has fought a long campaign on that issue, and I understand why she fights in that way for her constituents. However, the project would be expensive and, in the light of passenger usage, probably hard to justify in value-for-money terms—but I am always prepared to keep an open mind on it, as something to consider for the future. It is also the case, however, that significant capacity was introduced to the south-east in December 2009, and of course more will follow with the Crossrail and Thameslink projects.

Heidi Alexander (Lewisham East) (Lab): May I ask the Minister for her Department's thinking in respect of Southeastern's application to vary its franchise commitment on exits and entrances to Lewisham station? Southeastern's proposal to close the exit from platform 4 is opposed by the vast majority of my constituents who use the station, and I urge her to take their views into account when making a decision.

Mrs Villiers: I have to acknowledge to the hon. Lady that that is not an application to vary the franchise that I have yet received. Of course, when such decisions are taken it is very important for the views of local stakeholders—passengers—to be properly taken into account in terms of the outcome.

Stephen Hammond (Wimbledon) (Con): My right hon. Friend was right to talk about the benefits of Thameslink, but many in south London will not enjoy the full benefits unless Network Rail timetables through trains from the Sutton loop. Will she ensure that Network Rail continues to keep that option open?

Mrs Villiers: I will certainly expect Network Rail to do all it can to minimise the disruption caused for passengers by the works under way on Thameslink and forthcoming works at major London termini. I will keep my hon. Friend's proposal in mind, and I am happy to discuss it with Network Rail. I believe that he and I are meeting to discuss this soon.

Maria Eagle (Garston and Halewood) (Lab): Will the Minister of State rule out breaking up our national rail infrastructure and handing those vital assets to the private sector, creating in the south-east and across the country what has been described as a series of mini-Railtracks?

Mrs Villiers: The hon. Lady knows perfectly well that this Government have shown a major commitment to investment in our railways, but we expect the rail industry to rise to the challenge of reducing costs, which spiralled under her Government. For the sake of taxpayers and fare payers, the cost of running the railways needs to come down. We expect Sir Roy McNulty to come up with workable proposals for delivering that essential goal.

Maria Eagle: The whole House will have heard the Minister refuse to rule out a return to the days of Railtrack, with private profit, not safety in the interests of passengers, coming first. She is in danger of repeating the shambles of rail privatisation, so will she urge her right hon. Friend the Secretary of State to think again, step back from this ideologically driven plan to fracture our rail industry further, and abandon this recipe for disaster?

Mrs Villiers: The hon. Lady was a member of the Government who established the McNulty review to find out the answers to the very questions that she is asking, yet she wants me to rule out a range of options before Sir Roy McNulty has had a chance to report. This is a review that the Labour Government set up, and I think it makes sense to wait for Sir Roy's report before making a decision.

Rail (Branch Lines)

6. **Neil Carmichael** (Stroud) (Con): What assessment he has made of the role of branch lines on the rail network in stimulating growth and employment. [45279]

The Minister of State, Department for Transport (Mrs Theresa Villiers): The Government recognise the positive role that branch lines can play in supporting economic growth. Such lines receive substantial support from the taxpayer via the train operator subsidy and Network Rail grant. In addition, the DFT's community rail strategy is aimed at making it easier for local communities to get involved in promoting and supporting local lines.

Neil Carmichael: With the big society in mind, will the Minister of State be sympathetic to a local community in my constituency who are interested in making use of the Berkeley line to develop tourism and links between communities and to stimulate economic growth?

Mrs Villiers: I am very impressed with the work being done by local volunteers and enthusiasts on that project. I know that they have applied for lottery funding. As for the logistics of getting such projects up and running, they would need to think about long-term sources of funding and discuss their plans with Network Rail and local train operators, as well as local authorities. I understand that they are considering both heritage tourist use and commuter use. It is often very difficult to combine the two, so they might want to keep their ambitions within a reasonable scope if they are to succeed.

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): In view of the McNulty report's interim findings, will the Minister refuse to go ahead with a policy of saving money by a wholesale closure of branch lines, which would create a second Beeching?

Mrs Villiers: There is no suggestion of doing that. The point of the McNulty review is to find a way to deliver current services—and, one hopes, more services in the future—at a lower cost to the taxpayer. It is vital that Sir Roy comes up with good proposals for doing that if we are to relieve the burden on the taxpayer and the fare payer.

Cycling

7. **Damian Hinds** (East Hampshire) (Con): What recent steps he has taken to encourage cycling as a means of transport. [45280]

The Parliamentary Under-Secretary of State for Transport (Mike Penning): We have announced a local sustainable transport fund of £560 million over four years, which we are committed to even in these difficult times. We are also committed to funding Bikeability cycle training for the remainder of this Parliament.

Damian Hinds: Will my hon. Friend join me in welcoming the opening this coming weekend of the first sections of east Hampshire's super-scenic highway for cyclists, walkers and riders, Shipwrights way, which will link in with the rail network for commuters and recreational users of the new South Downs national park?

Mike Penning: We welcome that project, and I understand that there are proposals for an extension, for which I am sure that the local authority will bid to the local sustainable transport fund for funding.

Mr Brian H. Donohoe (Central Ayrshire) (Lab): Of course, it is not possible for me to come here from my constituency on a bike—although many of my constituents believe that I should, on the basis of the recent exposure of expenses. One area of concern is the number of potholes on the roads. What is being done about potholes, because everybody knows that they are a major problem, given the recent climatic conditions?

Mike Penning: Local authorities are doing their best to deal with potholes. We will announce at least an additional £100 million to help local authorities to fill potholes.

Local Authority Major Transport Schemes

8. **Robert Halfon** (Harlow) (Con): What criteria he proposes to use to determine his Department's spending on local authority major transport schemes. [45281]

The Secretary of State for Transport (Mr Philip Hammond): We will announce in due course the criteria for allocating the remaining funds to projects in the development pool. It is likely to be done on the basis of an appraisal of value for money, the proportion of non-Department for Transport funding, deliverability, strategic importance, and a consideration of the balance between modes and regions. It remains my objective to develop a system of capital funding allocation to sub-national areas so that in future spending review periods, priorities can be determined locally.

Robert Halfon: Harlow council and Essex county council are highly supportive of a new M11 junction near Harlow, and local housing development could help to pay for it. Will the Secretary of State look at plans for the new junction, given that the cost to the taxpayer could be minimal?

Mr Hammond: That is a matter for consideration in future local authority major scheme application rounds. As I have indicated, I hope that those will be carried out on a much more devolved basis—but I can say to my hon. Friend that any scheme that levers in private money to reduce the cost to the taxpayer, and thus improve the cost-benefit ratio that the taxpayer sees, is likely to have an advantage in any future competition.

Joan Ruddock (Lewisham, Deptford) (Lab): In that context, will the Secretary of State consider the proposals for a Surrey Canal Road station in my constituency, on which I made representations to the Government last year? My local authority has put money into the design stage and the local developer, Renewal, is putting up a lot of money to ensure that the station can at least be started. I hope that the Government will support that vital piece of infrastructure.

Mr Hammond: I am happy to look at the matter, to discuss it again with the Mayor of London and to consider the points that the right hon. Lady has raised.

Free Bus Services

9. **Dr Julian Huppert** (Cambridge) (LD): What recent representations he has received on the removal of bus service operators grant from free bus services. [45282]

The Parliamentary Under-Secretary of State for Transport (Norman Baker): I have received one letter from the Passenger Transport Executive Group and my officials have had discussions with the Confederation of Passenger Transport about the eligibility of bus service operators grant for free bus services. My hon. Friend, too, has written to me about this matter, as he knows.

Dr Huppert: An example of an important free bus service is the Cambridge city centre circular route, which goes through the pedestrianised area and provides essential access for the elderly, the disabled and those who otherwise could not get around. The route is at risk not only from the change to the bus service operators grant, but from a rather mistaken county council policy. Will the Minister consider whether support can be given to that essential service, and encourage the county council to support it?

Norman Baker: My officials discovered last year that some bus services receiving bus service operators grant were not eligible under the regulations because they were free services. As a result, the grant had to stop being paid. My officials wrote to operators in November to tell them that, and I have subsequently received representations on the matter. I believe that there is a case for continuing to pay BSOG for at least some of those services, so I will explore whether we can change the powers in respect of free bus services. We will continue to allow the submission of bus subsidy claims for free services, pending a resolution of this matter. My officials have told Stagecoach and Cambridgeshire county council about this decision. I therefore hope that between them, they can reach an agreement to continue to run that important shuttle bus.

Andrew Gwynne (Denton and Reddish) (Lab): Does the Minister not understand that although the cuts to bus fuel subsidy may not come in until next year, cuts to bus services are happening now, thanks to the massive front-loaded 28% cut in local transport funding? In the election campaign, the Prime Minister was very clear that he would not axe the national concessionary travel scheme—but does the Minister understand that for pensioners up and down the country, there is no point in having a free bus pass if there is no bus?

Norman Baker: Pensioners will, I hope, be pleased by the fact that the Government have guaranteed the concessionary fare scheme in its entirety as inherited from the last Government. I hope they will also be pleased that the 78% of services provided through support from the BSOG arrangements will not be affected in any way this year, and that the BSOG reduction is being phased in in a way that operators themselves say they hope will not lead to reductions in service or an increase in fares—

Mr Speaker: Order. We are intensely grateful to the Minister for his answer.

Speed Limits

10. **Stephen Phillips** (Sleaford and North Hykeham) (Con): What recent representations he has received on consistency in the setting of speed limits in rural areas. [45283]

The Parliamentary Under-Secretary of State for Transport (Mike Penning): I have not received any representations about consistency in the setting of speed limits in rural areas. The Department for Transport issues guidelines for local authorities, and it is for them to decide what speed limits are required in their area.

Stephen Phillips: There is a very considerable problem in Lincolnshire, with speed limits being set at inappropriate and inconsistent levels in accordance with policies set by the county council, which many feel do not take into account the guidance to which the Minister has referred. What can he do about that, and will he undertake to meet me, and local campaigners, to discuss the matter further?

Mike Penning: I will be more than happy to meet my hon. and learned Friend, his local authority and campaigners to discuss that issue. The guidance is there for local authorities to implement, and we will see what we can do to ensure that things are better in his area.

Rail Electrification

11. **Andrew Bridgen** (North West Leicestershire) (Con): What recent progress he has made on plans to electrify the midland main line. [45284]

The Secretary of State for Transport (Mr Philip Hammond): The Government's policy is to support the progressive electrification of the railway. The Department for Transport will continue to consider the business case for the scheme that my hon. Friend mentions as part of the work to inform decisions in the next railway control period, beginning in 2014.

Andrew Bridgen: Does the Secretary of State agree that there would be huge benefits to the east midlands from the electrification of the line? Given the massive economic and housing growth predicted for the east midlands over the next few years, an early timetable for electrification of the line would be very helpful to business and planners.

Mr Hammond: My hon. Friend is right to note that there is a strong case, on the face of it, for the electrification of the midland main line. He will know that there are works currently under way on the line to improve line speeds, and I had the opportunity to view them from the cab of an East Midlands Trains service on Monday. When they are completed at the end of 2013, they will result in the journey time from London to Sheffield being reduced to less than two hours.

Mr Clive Betts (Sheffield South East) (Lab): Does the Secretary of State accept that in the last assessment, the business case for the electrification of the midland main line was just as strong as that for the Great Western line? As he is not prepared at this stage to commit to the electrification of the line in one go, will he re-examine the possibility of introducing the new bi-modal trains on the line? On that basis there could be incremental electrification without the up-front costs coming all at once.

Mr Hammond: I understand the hon. Gentleman's question, and I am aware of the proposal that East Midlands Trains is examining to introduce bi-modal running on the line. The difference between the midland main line and the Great Western main line is that the midland main line's future function will be affected by the decision on High Speed 2. It is right that we consider the matter as one for the next control period, in the full light of the decision on HS2 that will be taken later this year.

12. **Jonathan Edwards** (Carmarthen East and Dinefwr) (PC): What recent representations he has received on the electrification of rail lines between Cardiff and Swansea and west of Swansea. [45285]

The Secretary of State for Transport (Mr Philip Hammond): I have received representations calling for electrification of the Great Western main line to be extended as far west as Swansea. We have looked carefully at the arguments but I regret to tell the hon. Gentleman that there is not, at present, a viable business case for electrification of the main line between Cardiff and Swansea. I have given the House an undertaking that I and my right hon. Friend the Secretary of State for Wales will keep the matter under review.

Jonathan Edwards: I regret to inform the Secretary of State that last week's announcement went down like a lead balloon in the communities in west Wales that I represent. Later in the week, the Business Secretary made a speech saying that investment in high-speed rail and electrification was an example of how the UK Government were going to rebalance the economy. Is the message therefore that as far as the UK Government are concerned, the Welsh economy stops at Cardiff?

Mr Hammond: No, I will tell the hon. Gentleman what the message is. It is that my announcement last week will result in the journey time to Swansea being cut by 20 minutes, to two hours and 39 minutes, delivering to people in Swansea all the time-saving benefits that would be delivered were electrification to progress as far as Swansea. I am sorry to have to tell him this, but if he looks at the facts of the case, the costs to the taxpayer and the benefits to the people of Swansea, he will discover that at the present time our decision is the right one. As I have said, we will keep it under review.

Geoffrey Clifton-Brown (The Cotswolds) (Con): I am sorry to return to this subject, but will my right hon. Friend tell the House what feasibility studies have been undertaken on how long the Severn rail tunnel will be closed when the electrification project is under way? Would alternative diversion routes, such as the Kemble to Swindon rail scheme, be useful additions when the scheme is constructed?

Mr Hammond: My hon. Friend is extremely diligent in pursuing the Swindon to Kemble rail scheme. Our proposals will require electrification through the Severn tunnel. I have not yet received a detailed proposal from Network Rail on how engineering work will be carried out, but we will be mindful of the potential for disruption.

Mrs Siân C. James (Swansea East) (Lab): I shall not express my disappointment with the decision again, but I would like to know this: are you going to publish the information on how you reached the financial decision? People in Swansea ought to be told what that decision was based on.

Mr Speaker: Order. I am not publishing anything, but the Secretary of State might be.

Mr Philip Hammond: If the hon. Lady would like to see the business case analysis for electrification from Cardiff to Swansea, I am happy to make it available to her. I can tell her that it will not reinforce her case.

Satellite Navigation Systems

13. **Laura Sandys** (South Thanet) (Con): What assessment he has made of the potential for satellite navigation systems to increase the proportion of journeys undertaken by haulage companies using major routes. [45286]

The Parliamentary Under-Secretary of State for Transport (Mike Penning): No such assessment has been made by the Department. It is for hauliers to plan their routes and for satellite navigation system providers to provide the technology that ensures that hauliers use the appropriate routeing.

Laura Sandys: Last weekend I came bonnet to bonnet with a huge articulated lorry in the village of Wingham on a very small rural A road. What can we do through the sat-nav system to distinguish rural A roads from the dual carriageways that lorries should be using?

Mike Penning: I am very aware of that problem, because it happens in my constituency as well, but there are new satellite navigation systems specifically for hauliers, which include software to ensure that hauliers stay on their routes. There is no benefit to hauliers in going down side roads, and local authorities have the powers to make weight restrictions if necessary. I will look into the problem in my hon. Friend's constituency.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): Haulage companies that avoid the M62 by travelling between the M1 and Manchester via the Snake and Woodhead passes are one cause of severe congestion in the Longdendale area of my constituency. If the Minister cannot influence that through satellite navigation companies, will he bear in mind the need for some form of bypass in the Longdendale area?

Mike Penning: It might be easier to speak to manufacturers of satellite navigation systems than to build a bypass. As I said, software specifically for hauliers is now available, which should alleviate the problem as it rolls out.

Marine and Coastguard Agency

14. **Bill Esterson** (Sefton Central) (Lab): If he will carry out a risk assessment of his proposals for the reorganisation of the Marine and Coastguard Agency. [45287]

The Parliamentary Under-Secretary of State for Transport (Mike Penning): The coastguard service is under consultation at the moment. A suite of documents published on 11 February are part of the consultation as we go forward. We have received more than 1,000 submissions, and it is important that the public should feel part of the consultation. We are coming towards the end of that consultation period, on 24 March, but further submissions will be allowed via a six-month extension, which I announced today.

Bill Esterson: Can the Minister explain how staff in Aberdeen or Southampton will make decisions on which search and rescue units should respond to emergencies? No matter how much training takes place at the new control centres, staff at existing centres, including Crosby, have decades of experience and know the local search and rescue staff personally, so will the Minister explain how the new control centres will improve safety?

Mike Penning: First, Mr Speaker, may I just correct myself? The extension of the consultation is for six weeks, not six months.

All the control centres that I have visited—I was in Belfast yesterday, and I have been to Crosby—accept that we must modernise the service and go forward. The robustness and resilience of the service is not there. We have had some fantastic submissions and people have engaged with the consultation. The submission made yesterday in Belfast accepted that we need to close stations and have a resilient system. As soon as we have that we will have a better service, but we will look at all the submissions as they are made.

Sarah Newton (Truro and Falmouth) (Con): I welcome what the Minister has confirmed—that there will be an extension to the consultation process on the future of the coastguard service. Does the Minister agree that it is important for him to visit Falmouth coastguard during the extension period, to see at first hand the excellent work done there?

Mike Penning: It is an extension for the receipt of submissions on the consultation. The visits will be as they were, and we should visit most of the stations. I am conscious that I have had to cancel a meeting with my hon. Friend's constituents and the working group there, so I shall do my level best to visit Falmouth as soon as I can.

Katy Clark (North Ayrshire and Arran) (Lab): Does the Minister not accept that if we close more than half of the coastguard stations and lose 226 of the 600 current staff, local knowledge will be lost?

Mike Penning: Local knowledge is vital, but nearly every coastguard station I have visited accepts that we have to modernise the service and that coastguard stations will be closed. As long as we accept that, we can roll forward a modern service. However, we cannot just be nimbyist and say, "Our one is okay. Nothing must close." All the stations have accepted the need for modernisation, and we will work with the excellent, professional coastguard service to provide a 21st-century service.

Topical Questions

T1. [45294] **Miss Anne McIntosh** (Thirsk and Malton) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Transport (Mr Philip Hammond): Since the previous Transport questions, I have launched a consultation on our proposals for high-speed rail, given the go-ahead for the £4.5 billion inter-city express programme, announced further electrification of the Great Western main line as far as Cardiff, announced £100 million-plus of additional funding to local authorities for pothole repairs and confirmed funding for a further nine local major transport schemes.

Miss McIntosh: The Secretary of State will be aware that the European Aviation Safety Agency is currently consulting on flight time hours. I have been contacted by pilots living in my area who are keen that we export our high safety standards to the rest of Europe, and conclude that they will catch us up on fatigue and airline safety.

Mr Hammond: I am grateful to my hon. Friend. I have received, as I am sure other Members have, a great deal of correspondence on this issue. We are working with the Civil Aviation Authority to ensure that the European approach remains proportionate and appropriate. I assure her that we will not agree to anything that lessens safety levels in this country.

John Woodcock (Barrow and Furness) (Lab/Co-op): At our previous exchange, I asked the Secretary of State about rising fuel prices, and he said:

> "I am pleased to say that it is not my business to do anything about this".—[*Official Report*, 27 January 2011; Vol. 522, c. 435.]

Up and down the country, motorists will think that it is precisely the business of the Transport Secretary—the clue is in the job title. We are calling on the Government to reverse the VAT hike and consider deferring the next duty rise. What has he done?

Mr Hammond: Perhaps in due course the hon. Gentleman will learn that the occasional piece of humour does not go amiss in the Chamber. It is not the responsibility of the Transport Secretary to manage world oil markets, and it is not the responsibility of the Transport Secretary to deal with VAT or fuel duty. The latter are matters for my right hon. Friend the Chancellor, who will no doubt allude to them in his Budget speech on 23 March.

T3. [45296] **Margot James** (Stourbridge) (Con): I recognise the benefits that high-speed rail will bring to Birmingham and the northern cities it services, but will my right hon. Friend outline what benefits might be brought to the wider environs, such as the black country—a part of which I represent—and any towns along the route where it does not stop?

Mr Hammond: The benefits for my hon. Friend's constituents of high-speed rail will be twofold. First, there are the benefits that will accrue to the west midlands region in general from the high-speed railway from London to Birmingham, and the benefits to the UK economy of enhanced productivity and competitiveness as a whole. Secondly, moving passengers on to the high-speed railway and creating large amounts of additional capacity will allow our existing railway to be used more innovatively, with new passenger and freight services for the future.

T2. [45295] **Naomi Long** (Belfast East) (Alliance): As the Minister will be aware, passengers travelling from Northern Ireland to London will be hit by two increases—the air passenger duty increase and the passenger landing charges being proposed at Heathrow and Gatwick. What discussions will the Minister have with the Northern Ireland Executive and other colleagues in government to ensure that there is still good access between London and Northern Ireland for business commuters?

The Minister of State, Department for Transport (Mrs Theresa Villiers): I refer to the comments of my right hon. Friend the Secretary of State: taxation is a matter for the Chancellor. I am sure that he will bear in mind the impact of decisions on air passenger duty on regional connectivity. This Government fully recognise the importance of good regional connections between London and all parts of the United Kingdom.

T5. [45298] **Claire Perry** (Devizes) (Con): One way to help hard-pressed rural motorists in my constituency would be to reverse some of the short-sighted Beeching decisions taken decades ago that ripped the heart out of our rural railway services. Will the Secretary of State undertake to look closely at one proposal on the table—that of the TransWilts railway, which would link Swindon, Salisbury and stops in between, and bring enormous economic benefits to the county of Wiltshire?

Mrs Villiers: I know that my hon. Friend has done great work on this issue, and that there is a lot of activity locally. She will appreciate that such projects, which have primarily local benefits, need to find funding locally. It is therefore important that she should engage with the local authorities, Network Rail and the train operators to see what might be logistically feasible in getting the project off the ground.

T4. [45297] **Alun Michael** (Cardiff South and Penarth) (Lab/Co-op): The Secretary of State has today offered my hon. Friend the Member for Swansea East (Mrs James) sight of the business case for the decision in Swansea, but we were previously promised that the full facts and everything about the case would be placed in the Library. That has not happened yet. In view of the importance of what is a major European route, including its importance to the economy of west

Wales, will the Secretary of State promise to put all the details in the Library without delay?

Mr Hammond: Yes, I am happy to do so, although I should tell the right hon. Gentleman that, despite what was said at the time, the previous Government did not conduct a business case analysis of the proposal for electrification from Cardiff to Swansea.

Mr Speaker: Nicky Morgan. Not here.

Greg Mulholland (Leeds North West) (LD): I warmly welcome the Government's clear commitment to take high-speed rail to Leeds, but will the Secretary of State give proper consideration in the consultation to the high-speed north proposal by Harrogate engineer Colin Elliff? The route would not go through the Chilterns, hence avoiding some of the environmental concerns there.

Mr Hammond: There will be a consultation on the line of route between Birmingham and Manchester, and between Birmingham and Leeds respectively, once line options have been developed by HS2. That consultation will take place early next year, and I look forward to my hon. Friend's participation in it.

T6. [45299] **Paul Flynn** (Newport West) (Lab): Does the Minister intend his direction of travel to lead towards the inevitable break-up and privatisation of Network Rail, in order to appease the probably insatiable appetite of the rail operating companies?

Mr Hammond: As my right hon. Friend the Minister of State said earlier, Sir Roy McNulty is conducting a review of value for money in the rail industry. One of his preliminary findings is that we need better alignment of interests between train operators and the infrastructure operator. Network Rail has responded to those recommendations, unprompted, by announcing that it will give greater autonomy to its regional route managing directors. I think that is a step in the right direction.

Charlie Elphicke (Dover) (Con): On 23 March, the people of Dover will vote in a referendum on whether they want a people's port big society change in Dover. If the people vote for the big society, will the Secretary of State help to implement it?

The Parliamentary Under-Secretary of State for Transport (Mike Penning): My hon. Friend is tenacious in his work for the people of Dover. As he knows, the Minister of State is still looking at the proposals for Dover, and at this time it would be improper for me to say any more.

Mr Dennis Skinner (Bolsover) (Lab): A few minutes ago the Secretary of State was asked a perfectly reasonable question about whether he was speaking up for motorists on the VAT increase. He was not asked whether he would implement it; he was asked for his view. Has he said anything to the Chancellor? Why does he not open his mouth about the massive rise in petrol prices? Come on, let's hear what his view is!

Mr Hammond: How can I resist a suggestion from the hon. Gentleman to open one's mouth? I can tell him this: I speak regularly to the Chancellor on a range of matters, and the content of those discussions will remain private.

Nick de Bois (Enfield North) (Con): London has rightly invested in the necessary infrastructure to ensure that the Olympics are a success, so will the Secretary of State work with the Rugby Football Union, Network Rail and local authorities to ensure that the rugby world cup in 2015 is not overlooked, and that we can have a station that is fit for the home of rugby and can meet the demands?

Mrs Villiers: We will certainly be working with all those stakeholders on the preparations for the rugby world cup, and plans are already under way to lengthen platforms at Twickenham station. We are also in negotiations to add new carriages into Waterloo. We have not yet taken a decision on where they will go, but Twickenham might benefit from that. I know that there is an interesting local scheme to redevelop the station, which could generate significant local benefits, and that the local authorities and other stakeholders are working hard to try to take that forward.

Mr Speaker: I am grateful to the Minister. We are now much better informed.

Stephen Timms (East Ham) (Lab): At great expense, a station has been built on High Speed 1 that says "Stratford International" on the outside, even though no international trains stop there. When will this rather embarrassing state of affairs be resolved?

Mr Hammond: Operational matters on High Speed 1 are a matter for the concessionaire and for the companies operating the services. I can tell the House that Deutsche Bahn intends to start running services from Frankfurt to London in 2012, and I hope that other operators will start to run similar services. That will be good news for passengers in general, and probably good news for the right hon. Gentleman's campaign. The more operators there are on the route, the more chance there is of getting additional services.

Several hon. Members *rose—*

Mr Speaker: Order. I am sorry to disappoint colleagues, but this topical questions session is always a rather shorter one, and demand has exceeded supply. We must now move on to questions to the Minister for Women and Equalities.

WOMEN AND EQUALITIES

The Minister for Women and Equalities was asked—

Human Trafficking

1. **Stephen Phillips** (Sleaford and North Hykeham) (Con): What discussions she has had with ministerial colleagues on the support available to women trafficked to the UK. [45303]

The Minister for Equalities (Lynne Featherstone): The Government are determined to ensure that all identified victims of this terrible crime receive the support to which they are entitled. Ministers work together, including through the interdepartmental group on human trafficking, to ensure that we achieve that objective.

Stephen Phillips: I am grateful to my hon. Friend for that answer. Support is absolutely critical for women who have been trafficked. Will she clarify whether the new Home Office policy on human trafficking will include at least a three-month period of support, as recommended by the European Union group of experts on trafficking in human beings in its opinion of 16 April 2004?

Lynne Featherstone: The Council of Europe convention, to which we have signed up, sets a minimum of 30 days. I am pleased to reassure my hon. and learned Friend, however, that in this country we have a minimum 45-day extendable recovery period for accommodation, counselling or reintegration if desired.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): When will the Government publish their anti-trafficking strategy?

Lynne Featherstone: The strategy will be coming forward in the spring.

Tom Brake (Carshalton and Wallington) (LD): Why was it felt necessary to change the funding arrangements that apply to the support provided to women?

Lynne Featherstone: We found that using a single contractor was extremely inflexible and led to a lack of capacity. The lack of bed capacity meant that voluntary organisations were taking in trafficked women and, because they were going all over the place, it was impossible to have proper oversight of all those who needed help and support. For that reason, we have changed the procurement process.

Mark Durkan (Foyle) (SDLP): Women are trafficked not only to the UK but within these islands. Will the Minister and her ministerial colleagues use the auspices of the British-Irish Council to improve support for women who have been trafficked throughout these islands, as well as to improve enforcement?

Lynne Featherstone: We are happy to work with all the nations on this serious issue to stop women being trafficked within and without these islands.

Mr Peter Bone (Wellingborough) (Con): Will the Minister tell us when spring starts and when it ends?

Lynne Featherstone: It is the parliamentary spring, and in this country it is quite difficult to tell, but it will happen in due course.

Fiona Mactaggart (Slough) (Lab): Since my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman) raised the European directive on human trafficking with the Prime Minister on 15 September, the issue has been raised at least 40 times in this Chamber alone. The final text of the directive was agreed by the European Parliament more than 12 weeks ago. How often do we need to ask the Minister about this? How long does she need before she decides that Britain will sign up to the directive?

Lynne Featherstone: We are undertaking proper consideration and discussion with the devolved Administrations, but I can assure the hon. Lady that it will not be that much longer.

Discrimination in Sport

2. **Mark Menzies** (Fylde) (Con): What recent discussions she has had with the Secretary of State for Culture, Olympics, Media and Sport on discrimination in sport on the grounds of sexual orientation. [45304]

The Minister for Equalities (Lynne Featherstone): On 14 February, my right hon. Friend the Minister for Women and Equalities and I hosted a round table on homophobia and transphobia in sport with my hon. Friend the Minister for Sport and the Olympics. This was attended by the national governing bodies of football, rugby union, rugby league, tennis and cricket. The London Organising Committee of the Olympic and Paralympic Games and Pride Sports were also in attendance. We believe that everyone should be able to participate in sport and enjoy sport free from discrimination on account of their sexual orientation or gender identity.

Mark Menzies: We have recently seen positive role models coming out in rugby and cricket, to much support from the general public and the sports community. What steps is the Minister taking to encourage a similar welcoming atmosphere in football—the nation's most popular sport?

Lynne Featherstone: I would like to put on record our congratulations to Steven Davies, the English cricketer, and Gareth Thomas, the Welsh rugby player on coming out. This is an important issue and we look forward to working with the Football Association to create an atmosphere and ambience in which footballers should feel free to come out as they wish—not just for the sake of the league and themselves, but for the sake of youngsters all over the country who should be able to play on any sports field free of any discrimination.

Parental Leave

3. **Stephen Mosley** (City of Chester) (Con): What recent discussions she has had with the Secretary of State for Business, Innovation and Skills on parental leave for maternity and paternity. [45305]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): The Government are committed to introducing a system of flexible parental leave that recognises the needs of businesses and parents, balancing work and family life. We will consult fully on this reform, particularly with small and medium-sized enterprises. An announcement will be made later in the spring.

Stephen Mosley: How does the Minister propose to ensure that the welcome result of more flexible and more family-friendly working will not adversely affect small business?

Maria Miller: I thank my hon. Friend for raising this issue, which I know is important to many hon. Members. The Government have a strong culture of regulatory restraint, but we need to make sure that regulations keep pace with family life and the realities of parents needing to balance their family life with work. We are already in discussions with employers about how to ensure that the proposals we put forward will benefit businesses and families. We will make sure that the consultation informs our decision.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The Minister will know that evidence shows that women on low incomes are less likely than those on higher incomes to take their full maternity leave because they struggle to afford it. She will also know that the impact of cutting the baby element of the tax credit, the Sure Start maternity allowance and other measures will take an estimated £1,200 from young families with small children. Will she assess the impact of those cuts on mothers' ability to take maternity leave? Does she agree that this means more new mums will feel forced to go back to work earlier than they would choose because they cannot afford either the rent or the mortgage?

Maria Miller: I thank the right hon. Lady for her question. As we put forward a whole package of support for families, we will obviously do everything we can to make sure we support women on low incomes—or, indeed, parents on low incomes—to get back into work. I know that the proposals in the Welfare Reform Bill, which was debated yesterday—and particularly the way universal credit will deal with child care—will help people to be able properly to make those decisions.

Gender Pay Gap

4. **Simon Hughes** (Bermondsey and Old Southwark) (LD): What her latest estimate is of the gender pay gap. [45306]

The Secretary of State for the Home Department and Minister for Women and Equalities (Mrs Theresa May): The Office for National Statistics estimates that the median gender pay gap for full-time work for men and women was 10.2% in 2010, and the median gap comparing all men and women was 19.8%. The Government are committed to promoting equal pay, including, for example, working with employers to help them publish equality data about their work force on a voluntary basis. We will also consult shortly on proposals to include flexibility at work.

Simon Hughes: I am grateful, and the Home Secretary's commitment to this issue is well known. Men in this place and in the country feel as angry about the gender pay gap as do women. Given that this week is the 100th anniversary of the celebration of international women's day, will the Home Secretary confirm that if we can deal effectively with the gender pay gap, it could have a huge effect on Britain's growth and success economically? Will she set out that commitment to bring those two policies together?

Mrs May: I am grateful to my right hon. Friend, who is absolutely right that where we see a gender pay gap it is often a reflection of the under-utilisation of women's skills in the workplace, and the under-utilisation of women's skills certainly has an impact on the economy. If we were able to ensure that women's skills were being used at the appropriate level and that women were able to progress through to appropriate levels in companies, for example, it would indeed be positive for growth. That explains our commitment, working with Lord Davies, to see more women on company boards.

Kerry McCarthy (Bristol East) (Lab): What assessment has been made of the impact of legal aid cuts, in the context of employment law cases, on the ability of women to challenge gender pay inequality through our legal system?

Mrs May: As the hon. Lady may know, we have been looking into the whole question of employment tribunals and pay discrimination cases. We are considering the possibility of making things easier by enabling a single decision to apply to anyone in a company rather than requiring people to go to employment tribunals on an individual basis.

Mr Speaker: Robert Flello is not here. I call Esther McVey.

Media Images of Women

6. **Esther McVey** (Wirral West) (Con): What recent representations she has received on the regulation of airbrushed images of women in the media. [45308]

The Minister for Equalities (Lynne Featherstone): I have received representations from concerned members of the public, the advertising industry and other interested parties about the regulation of airbrushed images of women in the media. Last November I met a group of experts to discuss our shared concerns and the evidence that it had assembled on matters such as the way in which media representations of body shape can affect self-confidence and well-being. I am working with the group, with relevant industries and with the Advertising Standards Authority to identify non-legislative ways of tackling the issue.

Esther McVey: Is the Minister aware of the petition submitted by Girlguiding UK to the Prime Minister on 4 November that called for compulsory labelling to distinguish between airbrushed and natural images? What steps will she take to ensure that consumers, especially the young, know when images have been altered?

Lynne Featherstone: I am aware of the Girlguiding petition. It is an excellent petition, signed by thousands of young girls. It is true that the impression given to young girls by airbrushed images has a devastating effect. We are not considering legislative processes, but following my meeting with representatives of Media Smart, a not-for-profit organisation, Media Smart is developing as part of its programme a media literacy kit for youngsters at school that will help them to become more aware that what they see is not necessarily what is real.

Geraint Davies (Swansea West) (Lab/Co-op): What impact assessment has the Minister made of the impact of airbrushed pictures of the Prime Minister on the self-confidence—

Mr Speaker: Order. I want to be helpful to the hon. Gentleman and the House. The question is about airbrushed images of women. The Prime Minister is not a woman. *[Interruption.]* Order. That is the end of the matter. We will leave it there.

Caring Responsibilities

7. **Barry Gardiner** (Brent North) (Lab): What plans she has to support women in balancing their caring responsibilities with work. [45309]

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): One in seven working people has caring responsibilities, and many of those people are women. The Government want people to be able to balance work and family life, and the Government are committed to removing the barriers that can prevent that. We will introduce flexible parental leave, extend help with child care to the most disadvantaged, and extend the right to request flexible working.

Barry Gardiner: Does the Minister agree that £10,000 a year would go a long way towards helping women with their caring responsibilities? Would she care to look into the £10,000 per annum disparity between the starting salaries of parliamentary case workers, a disproportionate number of whom are women, and parliamentary assistants? The Independent Parliamentary Salaries Authority recently refused to respond to a question about that from my office, and I should be grateful if the Minister investigated.

Maria Miller: I thank the hon. Gentleman for raising that point. It is important for transparency to apply to all pay issues. I think that this is indeed a matter for IPSA to consider, and I suggest that the hon. Gentleman approach it again.

Jo Swinson (East Dunbartonshire) (LD): One way of making it easier for women to balance care responsibilities with work would be to achieve a better balance between men and women in relation to who does the caring. Does the Minister think that shared parental leave, which the Government consider so important, might have the additional benefit of making employers in the mould of Lord Sugar less likely to discriminate against women of childbearing age in the recruitment process, because men and women alike might take parental leave?

Maria Miller: I could not agree more with my hon. Friend. Shared parental leave has an important role to play in the workplace, both in reflecting the realities of modern living and in helping to ensure that the gender inequalities that the House has worked so hard to reduce are reduced even further.

Dame Anne Begg (Aberdeen South) (Lab): During yesterday's debate on the Welfare Reform Bill, it became clear that no more money would go into child care and that the existing money would have to go much further, especially when the Government are placing new obligations on women to find work. What will the Government do about that?

Maria Miller: I thank the hon. Lady for her question. As my right hon. Friend the Secretary of State for Work and Pensions made clear in yesterday's debate, support for child care costs will be provided as an additional element as part of the universal credit, and we will invest at least the same amount in child care as under the current system. That is important at a time of fiscal restraint. We will go further, however, and make sure we target that money at people working fewer than 16 hours—who in the past perhaps have not received as much help as they need—thus getting more people closer to the labour market.

Civil Partnerships

8. **Mr Andrew Turner** (Isle of Wight) (Con): When she expects to publish plans to allow civil partnerships on religious premises. [45310]

The Secretary of State for the Home Department (Mrs Theresa May): On 17 February, we announced our intention to implement section 202 of the Equality Act 2010, which removes the ban in England and Wales on civil partnership registrations being held on religious premises. It is a permissive provision, which means that religious organisations that do not wish to host civil partnership registrations will not be required to do so. This is a positive step for lesbian, gay and bisexual rights and for religious freedom, and I hope Members on both sides of the House will welcome it.

Mr Turner: Will the Secretary of State confirm that there is no prospect whatever of the voluntary nature of these civil partnership registrations being turned, by the intervention of the courts, into a right, whereby the long-standing opposition from most churches, mosques and synagogues will be overridden?

Mrs May: I would make two points in response to my hon. Friend's question. First, this provision was introduced as an amendment to the Equality Bill because religious organisations asked to be able to hold civil partnership ceremonies on their religious premises. It was introduced before the election and was widely supported, and we have decided to go ahead with it. To reassure my hon. Friend, however, I point out that section 202 says:

> "For the avoidance of doubt, nothing in this Act places an obligation on religious organisations to host civil partnerships if they do not wish to do so."

That is the legal background against which the provision will be introduced.

Corporate Boards

9. **Miss Anne McIntosh** (Thirsk and Malton) (Con): When she expects Lord Davies to make recommendations on the removal of barriers to women serving on corporate boards. [45311]

The Secretary of State for the Home Department (Mrs Theresa May): Lord Davies reported, with his recommendations, on 24 February. The Government have welcomed the Davies report. We are engaging with business in considering his recommendations, and we encourage regulators, investors and executive search firms to take forward those recommendations that fall to them.

Miss McIntosh: In addition to the measures the Prime Minister outlined yesterday, does my right hon. Friend agree that we can learn a lot from the legislators of Denmark and Spain about smoothing the path of women on to boards and into other avenues of public life?

Mrs May: My hon. Friend is absolutely right that we must look at international experience; indeed, Lord Davies did that in putting together his report. I especially commend the Australian "If not, why not" model, which has been particularly successful in achieving a significant increase in the number of women on boards without resorting to quotas or increasing the burdens on business.

Business of the House

11.33 am

Hilary Benn (Leeds Central) (Lab): Will the Leader of the House give us the business for next week?

The Leader of the House of Commons (Sir George Young): The business for the week commencing 14 March will be:

Monday 14 March—Consideration in Committee of the Scotland Bill (Day 2).

Tuesday 15 March—Conclusion of consideration in Committee of the Scotland Bill (Day 3).

Wednesday 16 March—Opposition Day (13th allotted day). There will be a debate on an Opposition motion, subject to be announced, followed by a motion to approve a document relating to section 6 of the European Union (Amendment) Act 2008.

Thursday 17 March—General debate on north Africa and the middle east.

Friday 18 March—Private Members' Bills.

The provisional business for the week commencing 21 March will include:

Monday 21 March—Remaining stages of the Budget Responsibility and National Audit Bill [*Lords*], followed by motion relating to Members' salaries.

Tuesday 22 March—Remaining stages of the Scotland Bill.

Wednesday 23 March—My right hon. Friend the Chancellor of the Exchequer will open his Budget statement.

Thursday 24 March—Continuation of the Budget debate.

I should also like to inform the House that the business in Westminster Hall for 24 March 2011 will be a debate on the future of the coastguard service.

Hilary Benn: I am grateful to the Leader of the House for that reply. Has he seen today's news of the killing of civilians in Zawiyal and of the arrest and torture of three BBC journalists? Will he join me in condemning that action and in expressing support for those standing up against oppression and those who are bringing us the truth in their reports? These are voices that Colonel Gaddafi is desperate to silence.

When may we expect to have a statement on Lord Hutton's pensions report? Why will the Report stage of the Scotland Bill be on 22 March, given that the Government have made it clear they will introduce a new clause, one that was not part of the Calman recommendations and on which consultation does not close until 13 May? Should not this House consider it first?

Last week, the role of prayers at the start of our proceedings was raised, and the Leader of the House will, of course, be familiar with Matthew, chapter 25, verse 35:

> "For I was hungry and you gave me something to eat, I was thirsty and you gave me something to drink, I was a stranger and you invited me in".

While we reflect on helping those in need, may we have an urgent statement from the Communities Secretary, because it seems that his Department is supporting Westminster city council's plan to make it an offence to feed homeless people in one part of central London? Under its proposed byelaw entitled, with an Orwellian lack of irony, "Good Rule and Government (No. 3)", anyone found offering free refreshments—that is, soup, bread and water—to homeless people will be liable to a fine of up to £500. Westminster city council also wants to outlaw the act of lying down or sleeping in a public place. When this was first reported, many people refused point blank to believe that it was true, myself included. We thought, "This has to be a joke. Isn't helping the homeless what the big society is meant to be all about?" But it is not a joke. It is, in fact, the shocking face of 21st-century Tories in the richest borough in the country, supported by the Communities Secretary. Their big society hides a big, nasty, spiteful stick. Does the Leader of the House agree that those who thought of this should be ashamed of themselves?

Last week, the Leader of the House was asked by the hon. Member for Wellingborough (Mr Bone) who would take over if the Prime Minister was incapacitated. I would be surprised if it was the Foreign Secretary, but we were all rather puzzled that the Leader of the House seemed so unwilling to answer. I have with me the Government list and it is pretty clear: listed under the Prime Minister's name is that of the right hon. Member for Sheffield, Hallam (Mr Clegg) as the Deputy Prime Minister. Surely if the Prime Minister cannot act, his deputy will take over. Yet, on reflection, and after recent events, I think that every one of us in the Chamber can sympathise with the Leader of the House's evident reluctance to say that that is the case. Does he have an answer for us today by any chance?

Has the Deputy Prime Minister given the Leader of the House an indication that he is planning to make a statement about the size of the election deposit? I ask because concerns have been expressed in the past week that losing £500 might have a big financial effect on small parties that are finding it very difficult to attract votes, such as the Liberal Democrats. Before Conservative Members laugh, I should remind them that the Tories came behind the UK Independence party in the by-election.

Finally, may we expect a statement from the Transport Secretary on whether he thinks the cost of a return rail ticket from Sheffield to Barnsley is too expensive? I ask because presumably the difficulty in raising the considerable sum of £5.40 was the reason why the Deputy Prime Minister was unable to make the 15-mile journey to support his candidate in the by-election—not that it would have done any good. Or was it because the Lib Dem candidate spoke the truth last weekend when he said that

> "in towns like Barnsley, where the Lib Dems once harvested votes as a party of protest, they now attract derision as a party of government"?

How true, and how like a Liberal Democrat to tell us what he really thinks only once the ballot box has closed.

Sir George Young: May I begin by agreeing with what the right hon. Gentleman said about the BBC journalists? I watched the BBC news last night, and what they went through was horrendous. We should never underestimate the risks that many people take in order to bring this country, and indeed the rest of the world, the truth about what is happening in countries such as Libya. I am sure that the whole House will agree with what the right hon. Gentleman said.

Lord Hutton's report was published today and I suspect that something might be said about it in the Budget, which would be an appropriate time to respond.

The right hon. Gentleman may have seen the exchange of correspondence on the Scotland Bill between the Secretary of State for Scotland and the shadow Secretary of State, which says that in dealing with the Bill we are following a process that has been supported by the Labour, Liberal Democrat and Conservative party leaders in Holyrood. The motion that they have promoted states that they look

> "forward to considering any amendments made to the Bill with a view to debating them in a further legislative consent motion before the Bill is passed for Royal Assent."

As regards Westminster city council, it is 20 years since the rough sleeping initiative was started—in fact, I was Housing Minister at the time. Enormous progress has been made in reaching out to rough sleepers and I applaud the successor Government for what they did to roll out that initiative and apply it to other parts of the country. The debate is ongoing about whether those who generously supply food should be encouraged to do so in buildings, where people have access to help and support and to the housing and training they need, or whether they should continue to operate in a more unstructured way. The issue is slightly more complicated than the right hon. Gentleman has just implied, but I hope that Westminster city council will work with voluntary organisations and those who are trying to help the homeless in a way that not only reaches out to people but encourages them to abandon a lifestyle that is not in their best interests and to access those who can help them into training and jobs.

I thought the issue of succession might come up again. The practice is the same now as it has been under successive Administrations: the Prime Minister remains Prime Minister at all times but arrangements appropriate at the time will be put in place as necessary. That procedure has been adopted under successive Administrations.

Finally, let me turn to the subject of by-elections. The right hon. Gentleman may want to have a look at how well his party did in the Henley by-election before he and his colleagues draw too many conclusions about the loss of deposits. I welcome the new hon. Member for Barnsley Central (Dan Jarvis) and congratulate him on achieving a more respectable turnout than the shadow Leader of the House managed when he was first elected in 1999 on a turnout of 19.9%. The BBC dropped all pretence of impartiality and ran the story, "Benn limps in after dismal vote".

Several hon. Members *rose—*

Mr Speaker: Order. As usual, a large number of hon. and right hon. Members are seeking to catch my eye, but there are important debates to follow under the auspices of the Backbench Business Committee. If I am to accommodate the level of interest in this session, brevity from Back-Bench and Front-Bench Members alike is vital.

Kwasi Kwarteng (Spelthorne) (Con): In the light of Sir Ronnie Flanagan's remarks about the massive amount of paperwork heaped on the shoulders of the police, and given that in 2009 the previous Labour Government issued some 4,000 diktats and 6,500 pages of guidelines, may we have a debate on the Floor of the House about savings in the police force?

Hon. Members: Yes!

Sir George Young: I hear Opposition Members shouting yes. Of course, I have announced an Opposition day and if they want to debate police matters, we are ready to debate them next Wednesday. What has struck me—I am sure that it has struck my hon. Friend too—is the number of chief constables who have come forward and identified ways in which economies can be made by sharing back-office functions and opting for joint procurement without impacting on front-line policing. As my hon. Friend knows, only 11% of police are visible and available to the public. I hope that all police authorities will look for economies that preserve the effectiveness of front-line policing and that they will do so in the back-office areas, where I believe such economies can be secured.

Fiona O'Donnell (East Lothian) (Lab): The Leader of the House will no doubt have scrutinised the Scotland Bill and will be aware that much of the success of that Bill relies on good, effective working relationships between this House and the Scottish Parliament. Can he not see that to proceed to consider the Bill further on 22 March, before the consultation period is over, sends the wrong message to the Scottish Parliament?

Sir George Young: The Scottish Parliament has been advised by its Scotland Bill Committee to welcome and support the Bill, and I hope that it will do so. The procedure I outlined a few moments ago has been agreed by the three parties in the Scottish Parliament, which have written to commend that procedure.

Mr Edward Leigh (Gainsborough) (Con): Will the Leader of the House guarantee that if a no-fly zone is to be imposed, there will be a vote in the House of Commons? Such action would definitely be military action and not risk-free because of the established Libyan air defence systems, which might explain America's reluctance. May we definitely have a vote before there is any military action?

Sir George Young: A convention has developed in the House that before troops are committed, the House should have an opportunity to debate the matter. We propose to observe that convention except when there is an emergency and such action would not be appropriate. As with the Iraq war and other events, we propose to give the House the opportunity to debate the matter before troops are committed.

Clive Efford (Eltham) (Lab): May we have a debate as part of the consultation on the Government's Green Paper on special educational needs and disabilities? There is widespread concern that the cuts imposed by the coalition on local authorities will reduce the money available to parents to control budgets. If there is no money in the budgets, there is no control for parents

[Clive Efford]

and that will be nothing but a con trick on them. We need to have a debate in the House so we can represent our constituents' views.

Sir George Young: I welcome yesterday's publication of the consultation document. The consultation will take place over four months. I emphasise that it is not a cost-cutting exercise; it is about having a much better regime for children who need support in schools and about giving parents more of a say. Crucially, it is about bringing together health, education and care in one package and, we hope, having a more user-friendly, streamlined approach than we have at the moment. I would welcome a debate on the SEN statement. That might be an appropriate issue for the Backbench Business Committee to consider or for debate in Westminster Hall. Yesterday's announcement was warmly welcomed by those who take an interest in this issue and recognise the need for reform.

Duncan Hames (Chippenham) (LD): Could we have a debate on the wisdom of crowds or perhaps on the operation of the hive mind? At Tuesday's Health questions, hon. Members managed to match the feat of 17 February in questions to the Department for Business, Innovation and Skills, when there were eight almost identical questions on the Order Paper. One can only wonder how many more "inspired" questions were submitted but not drawn for that day.

Sir George Young: This is interesting territory. I am not sure whether the hon. Gentleman has been in opposition in the House, but he will know that hon. Members are sometimes informally encouraged to table questions, which I understand is wholly within the proceedings of the House. However, I hope there might be a little more ingenuity in future in coming up with different questions, rather than the same ones.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): In my constituency, 90% of all bus routes are run by Arriva. As we now have five big bus companies dominating and running two thirds of UK bus routes, may we have a debate on the Floor of the House to call on the Office of Fair Trading to reconsider the concentration of bus company dominance?

Sir George Young: We have just had Transport questions. I do not know whether the hon. Gentleman had the opportunity to raise that issue then, but if he did not I will certainly raise it with my right hon. Friend the Secretary of State and ask him to write to the hon. Gentleman.

Mr Greg Knight (East Yorkshire) (Con): Is the Leader of the House aware that many Members would like to debate our sitting hours? Does he agree, however, that such a debate would be premature while the Select Committee on Procedure is preparing a report on the matter? Will he urge all Members, including Ministers, to complete the questionnaire that the Committee recently circulated?

Sir George Young: I welcome the work of my right hon. Friend's Committee. I completed my questionnaire yesterday and sent it back and I have today written to my ministerial colleagues urging them to fill it in so that a balanced response can be available to the Procedure Committee. I welcome the Committee's work and I look forward to seeing the options that I hope will be put before the House later this year.

Stewart Hosie (Dundee East) (SNP): The Leader of the House will know that a legislative consent motion on the Scotland Bill is being considered today in the Scottish Parliament. Of course, we will have to wait to see precisely what it says, but if the Government intend to bring forward amendments to match the LCM, they will be considered on Report and cannot therefore be tabled until after 10 pm next Tuesday. If those amendments are financial ones, they would go a very long way towards informing the technical debates we are likely to have on Monday and Tuesday. Does the Leader of the House have any power to have such Government amendments published, if not tabled, quickly so that we may have a proper, considered debate on Monday and Tuesday, knowing the Government's intentions?

Sir George Young: We are determined to observe the conventions to make sure that the House has an opportunity, as the Bill passes through both Houses, to consider amendments necessary following the LCM. I will raise with my right hon. Friend the Secretary of State for Scotland the hon. Gentleman's specific question on whether we can table amendments even if we may not be able to debate them.

Mark Lancaster (Milton Keynes North) (Con): May we have a debate on health care? Despite a rising health care budget, in Milton Keynes there is growing local concern that the primary care trust seems determined to cut services while protecting its own administrative function. Is it right that an organisation that will soon play no part in health care is allowed to behave in such a way?

Sir George Young: As my hon. Friend knows, PCTs are due to be wound up, so I hope they will consider carefully whether any increased costs they may be planning are really necessary as they pass their responsibilities to GP-led commissioning organisations. I will raise the question with my right hon. Friend the Secretary of State for Health and ask him to write to my hon. Friend.

Diana Johnson (Kingston upon Hull North) (Lab): With every child in Kingston upon Hull losing £70 in the funding that has been allocated, compared with a child in Kingston upon Thames who will lose £30, may we have a debate on the coalition Government's redistribution of moneys away from the most deprived communities, and also on the fact that Lib Dem-controlled Hull city council has not protected the early years? Nor has it protected children's centres and Sure Start.

Sir George Young: We had a debate on local authority funding last month when we discussed the revenue support grant settlement. That was an opportunity to debate the issues. It is the contention of the coalition Government that the RSG settlement was redistributive in that it directed resources more to areas in need than to those in less need, so I reject the assertion on which the hon. Lady based her question.

Mr Philip Hollobone (Kettering) (Con): There are specific commitments in the coalition agreement to establish commissions to address the West Lothian question and the Bill of Rights. When might we have a statement in the House confirming that those commissions will be established, and when will we be given a date by which they have to report?

Sir George Young: My hon. Friend is quite right. There is a commitment in the coalition agreement to establishing a human rights commission, to see whether there are better ways to protect our rights and liberties in this country. I anticipate that an announcement will be made about that shortly. At the same time, we want to look at the European Court of Human Rights in Strasbourg, and when we have the chair of the appropriate Council in November we propose to make it a top priority to make sure that subsidiarity is at the heart of the Court's functions.

On the West Lothian question, there is a commitment to look at issues arising from Scottish devolution. An announcement about that will follow the one I have just mentioned.

Mr Barry Sheerman (Huddersfield) (Lab/Co-op): The Leader of the House will, like me, acknowledge the importance of the university sector to our towns and cities and to the future of our country. Is he aware that since Lord Browne's report on the funding of universities, and the Government's response, there has been a breakdown of confidence in the university sector and a meltdown of confidence in what is happening in the higher education sector generally? May we have an early debate on what on earth the Government's policy is and how it is working through the university sector?

Sir George Young: I reject the hon. Gentleman's assertion that there has been a breakdown in confidence in the way he outlined. As he knows, earlier this week the director of the Office for Fair Access published new guidance and his expectations of what English universities will need to do if they want to charge more than £6,000 for their full-time courses. I am sure there is constructive dialogue between my right hon. Friend the Secretary of State for Business, Innovation and Skills and the universities, but I will share with my right hon. Friend the concern that the hon. Gentleman has just expressed.

John Hemming (Birmingham, Yardley) (LD): In a secret hearing, Fred Goodwin has obtained a super-injunction preventing him from being identified as a banker. Will the Government hold a debate, or make a statement, on freedom of speech, and whether there is one law for the rich, such as Fred Goodwin, and another for the poor, such as Lee Gilliland who has had his mental capacity removed on the basis of a report from his GP that he is not allowed to see?

Sir George Young: I know that in a week's time my hon. Friend will have a debate in Westminster Hall which may impinge on some of these issues. I will raise with the appropriate Minister the matter that he has just raised, but it seems to impinge on the responsibility of the courts and any Minister would be cautious about commenting on that.

Mr John Spellar (Warley) (Lab): The Leader of the House indicated that the Government might respond to the Hutton report in the Budget debate. Could he ask the relevant Minister to take into consideration the grotesque paradox whereby the Hutton report recommends raising the retirement age for uniformed personnel, yet a local paper, the *Sandwell Chronicle*, reports that West Midlands police, under Home Office diktat, are forcibly retiring Chief Superintendent Steve Dugmore, a first-class crime fighter, because rule A19 allows them to sack people after 30 years' service? Is that not absolutely absurd and don't they need to get their act together?

Sir George Young: I am very happy to raise the right hon. Gentleman's final point with the Home Secretary. On the first issue, the Hutton report made it clear that if we do not make changes we are heading for the rocks—another example of the difficulties that the coalition Government are having to deal with following the outgoing Labour Government.

Robert Halfon (Harlow) (Con): Will the Leader of the House find time for an urgent debate on links between middle eastern dictators and our universities, following my early-day motions 1562 and 1563?

[That this House believes that there should be a real financial incentive for British universities not to accept donations from foreign dictatorships, especially regimes in the Middle East with a poor record on human rights; and therefore calls on the Government to introduce a mechanism whereby for every £1 that a university receives in donations from a totalitarian or despotic regime, such a Libya, £1 shall be withdrawn from that university in public subsidy.]

As well as the London School of Economics case, it has emerged that Durham university has done deals with the Iranian regime and that the Muslim research centre at my former university, Exeter, was funded by the Muslim Brotherhood. Does my right hon. Friend agree that if a university takes blood money it should lose an equivalent amount of public subsidy?

Sir George Young: As I said to my hon. Friend last week, universities are autonomous organisations and accountable for what they do. I will draw his comments to the attention of my ministerial colleagues at BIS. As he knows, we will have a debate on the middle east at this time next week, when he may want to amplify his remarks.

Nick Smith (Blaenau Gwent) (Lab): May we have a statement on the impact of the Department of Health's any willing provider policy on specialisms such as speech therapy? Such services transform lives, but they could be at risk in the new commissioning marketplace.

Sir George Young: The Health and Social Care Bill is in Committee and will be coming back to the Floor of the House for Report, which may be an appropriate time for the hon. Gentleman to table amendments and secure a debate.

Mr David Nuttall (Bury North) (Con): May we please have a debate on how we can both reduce the cost and speed up the process of removing squatters, to help hard-working home owners who discover that their properties are being illegally occupied?

Sir George Young: We all recognise the distress that can be caused by squatters, and we understand the difficulties that many people find in regaining occupation of their own home. The Ministry of Justice is considering options for strengthening the criminal law, but is yet to reach firm conclusions.

Mr Chuka Umunna (Streatham) (Lab): Knife and gun crime continue to blight inner-city communities such as mine. The trial is ongoing of those accused of murdering 15-year-old Zac Olumegbon in July last year, and just 14 days ago in my constituency, Solomon Sarfo was stabbed and murdered. Will the Home Secretary come to the House to give us an update on what the Government are doing to prevent that needless loss of life in our communities? I ask because I am particularly concerned that many of the third-sector organisations working to prevent such crimes are seeing their funding withdrawn.

Sir George Young: I very much regret the loss of life to which the hon. Gentleman refers, and I understand the deep feeling in his constituency. The coalition agreement makes it clear that we want to take a robust approach to those who carry knives, with appropriate penalties to deal with knife crime, but I will pass the hon. Gentleman's request to the Home Secretary.

Sajid Javid (Bromsgrove) (Con): In an effort to bring sanity back to our nation's finances, Bromsgrove district council was told in December that its budget was to be cut by 28%. Since then, through shared services and other efficiencies, it has not only frozen council tax but announced that there will be no cut in any council services. Will my right hon. Friend join me in congratulating Bromsgrove district council, and may we have a debate on local government finance?

Sir George Young: I would welcome such a debate, and I very much hope that other local authorities will follow the example of Bromsgrove in dealing with the challenges of coping with a reduced grant without affecting front-line services. It is a model of what a local authority ought to be doing.

Mr Dave Watts (St Helens North) (Lab): May we have a debate on why the Government are standing aside and allowing eight energy companies to rip off British gas and fuel customers? Is it not about time the Government got a grip and did something about the escalating costs of fuel in the UK?

Sir George Young: We are operating the regime we inherited from the Labour Government, which deals with energy prices by having a regulator who fixes the tariff, but I will of course share the hon. Gentleman's concern with the Secretary of State for Energy and Climate Change.

John Glen (Salisbury) (Con): May we have a statement from the Minister with responsibility for public health, my hon. Friend the Member for Guildford (Anne Milton), on the future of the Health Protection Agency at Porton Down in my constituency? When the Minister visited Porton Down on 12 October, she indicated that a decision would be made by the end of last year. I am concerned about when the decision will be made, and there is obviously concern in the constituency because jobs are involved.

Sir George Young: Many of my constituents, like those of my hon. Friend, who is my parliamentary neighbour, work at Porton Down, where they do vital work developing vaccines and other medicines. We make no apology for taking time to get that decision right, because it is a major programme that requires in-depth analysis and due diligence. The way forward will be decided soon and an announcement will be made at the appropriate time.

Geraint Davies (Swansea West) (Lab/Co-op): In Swansea, the Libyan community will be gathering on Saturday in support of a no-fly zone over Libya to stop the wholesale massacre of unarmed civilians. They also want us to consider the idea of an Arab-led ground force under the United Nations flag. When will we have an opportunity to debate these important issues, which are particularly important for those who have loved ones in Libya who are currently being killed?

Sir George Young: The hon. Gentleman will know that I have announced a debate for next Thursday on north Africa and the middle east. NATO is considering a range of options, including the establishment of a no-fly zone, and in the UN Security Council we are working closely with partners, on a contingency basis, on elements of a resolution on a no-fly zone.

David Mowat (Warrington South) (Con): Subsequent to the demise of the regional development agencies, there is now a £1 million shortfall in the funding for the rugby league world cup. We are having some difficulty establishing whether that is a matter for the Department for Business, Innovation and Skills or the Department for Culture, Media and Sport. Can we have a statement from the Government on that?

Sir George Young: There was a clear commitment in the Conservative party manifesto and the coalition agreement to supporting the rugby league world cup. I understand that colleagues in DCMS are talking with the Rugby Football League about support for the event and working with UK support. We are committed to fair treatment for this important event.

Jim Sheridan (Paisley and Renfrewshire North) (Lab): Unfortunately, Mr Speaker, I failed to catch your eye this morning during Transport questions, so may I ask the Leader of the House to use his good offices to encourage the Secretary of State for Transport to seek clarity from so-called British Airways on its long-term plans for UK routes? There is genuine concern about British Midland's recent decision to withdraw its Glasgow-to-Heathrow service, which will have a serious impact on the travelling public and serious consequences for the economy of western Scotland. There is real concern that the Glasgow service will not be the last to go.

Sir George Young: The hon. Gentleman takes me back 15 years to the time when I was Transport Secretary and had the answers to such questions. As he recognises, the question is a matter for the Secretary of State for Transport, to whom I will pass on his concern.

Henry Smith (Crawley) (Con): Will consideration be given to having a debate on the future of the gift aid tax initiative, with a view to having an opt-out rather than an opt-in to aid greater charitable donations?

Sir George Young: That is a matter for the Chancellor of the Exchequer in his Budget statement. I very much support my hon. Friend's intention, but he must roll the pitch a little if he wants to develop the argument for an opt-out system for CAF giving. It would mean that everyone would have to give a certain amount, presumably fixed by the Chancellor, which would be deducted from their pay packet. I wholly support giving, but the proposal would transform what is currently a predominantly voluntary system to one that people would have to opt out of. I think it requires a little more thought.

Paul Flynn (Newport West) (Lab): The very beneficial reform of Members having to declare all outside interests is now under threat from a European decision that will allow Members to conceal income from farm subsidies, which it is alleged come up to £60,000 and £2 million for two Ministers in the Department for Environment, Food and Rural Affairs. So is it not right that we look at which is supreme: European rules or the rules of this House?

Sir George Young: The hon. Gentleman will know that we have an independent Parliamentary Commissioner for Standards who is responsible for the register. It is for him to decide what does and does not need to go in it.

Greg Mulholland (Leeds North West) (LD): The report of the recent review on children's heart units in England contained factual errors about the excellent Leeds unit that the hospital trust was not allowed to correct. Considering the huge importance of that wonderful unit to nearly 14 million people, may we have an urgent statement from the Secretary of State for Health on the credibility of the options that have been put forward on the basis of flawed information?

Sir George Young: I think that I am right in saying that there was an Adjournment debate on the matter a few days ago, in which my hon. Friend might have had an opportunity to share his concern with the Minister. He is referring to the "Safe and Sustainable" review, which was undertaken after the difficulties in Bristol. Children's heart surgery is a complex area of clinical care and has been the subject of concern for some 15 years. The review is not about cost cutting, but about high-quality outcomes and service sustainability. No decisions will be taken until the results of the consultation are known later this year. I am sure that he has taken part in the formal consultation process, which closes on 1 July.

Gregg McClymont (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): May we have a debate on the crippling impact of the VAT rise, particularly on fuel prices? Many of my constituents have contacted me about the rise in fuel prices and pointed to VAT as an important contributor.

Sir George Young: We will be having a substantial debate on matters relating to the Budget after my right hon. Friend the Chancellor's statement. The hon. Gentleman will know that his party was unable to give any commitment that VAT would not go up and that Tony Blair advocated an increase in VAT as part of the solution to the country's difficulties.

Alun Cairns (Vale of Glamorgan) (Con): I welcome the comments made by the Leader of the House in response to the question by the hon. Member for Eltham (Clive Efford) on the special educational needs Green Paper. I remind my right hon. Friend that the current system has been described as not fit for purpose. The Green Paper has been broadly welcomed, but will he make time available for the House to consider it, as it is by its nature a Green Paper and deserves full consultation?

Sir George Young: I think that there is an appetite in the House for a debate on the Government's proposals. There is widespread recognition that we need to change the system, and many Members on both sides of the House will have tried to help parents through the rather complicated process, which seems to take an infinity as meetings are cancelled and local authorities sometimes play for time. There is an appetite for a better system. I suggest that my hon. Friend goes to the Backbench Business Committee on a Tuesday morning and bids for a debate on the subject. I think that he will find that he has a lot of support on both sides of the House.

Mr Andrew Love (Edmonton) (Lab/Co-op): I welcome the Hutton report's avoidance of a race to the bottom on public pensions, but it is a package of measures that is not to be cherry-picked. The Government already seem to have pre-empted some of its decisions, so it is not good enough to subsume it within a much more general debate on Budget issues. We have to have a debate on the whole package. Will the right hon. Gentleman make Government time available for such a debate?

Sir George Young: I recognise the importance of the Hutton report. It would be appropriate to discuss it during the Budget debate. Lord Hutton has looked not only at the entitlements of those entitled to public sector pensions, but at the obligations on taxpayers. He made it quite clear that the present situation was simply unsustainable. I hope that there will be an opportunity during the three or four days of debate on the Budget for some debate on pensions.

Brandon Lewis (Great Yarmouth) (Con): I am sure that the Leader of the House will have seen the recent report from the Chartered Institute of Public Finance and Accountancy, which highlights how some councils, such as Great Yarmouth borough council, have been able to freeze council tax while protecting front-line services, which has happened across the country, giving savings of up to almost £300, in contrast to the doubling of council tax under the previous Labour Government. May we have a debate on CIPFA's report on the Floor of the House?

Sir George Young: My hon. Friend reminds the House that for the first time in 18 years there will be a real-terms reduction in the liability to pay council tax, which will be warmly welcomed by council tax payers up and down the country. I pay tribute to the work of those local authorities that have been able to freeze council tax and at the same time protect front-line services.

Ian Mearns (Gateshead) (Lab): Will the Leader of the House try to find out what is happening in the Department for Education, as there are currently 563 unanswered written parliamentary questions to the

[Ian Mearns]

Department, eight of which are in my name? It is well known that the Secretary of State for Education is a poor driver, but he also seems to have lost his way.

Sir George Young: The hon. Gentleman might like to see the report, published yesterday by the Procedure Committee, on parliamentary questions. I shall certainly draw to the attention of my right hon. Friend the Education Secretary, who is diligent in attending to his parliamentary duties, the issue of the outstanding parliamentary questions, particularly the eight in the hon. Gentleman's name, and see whether we can get some prompt responses.

Tony Baldry (Banbury) (Con): In the context of next Thursday's foreign affairs debate, will my right hon. Friend table a motion that clearly sets out our obligations under international law to intervene where appropriate to prevent war crimes and crimes against humanity? Surely, when the Foreign Secretary and others approach those matters in the UN Security Council, they are entitled to know that they have the unequivocal and total support of this House in ensuring that the UK upholds the best principles of international law; and, so that we do not have any confusion or ambiguity about that, please could the House have an opportunity to make clear our voice by way of a motion, a debate and a vote?

Sir George Young: I take note of what my hon. Friend says. The current proposal is to have a general debate, as we have had on previous occasions, on the situation in north Africa and the middle east, but I will certainly pass on to my ministerial colleagues his suggestion that we go a bit further than that and include a substantive motion.

Bill Esterson (Sefton Central) (Lab): Will the Leader of the House ensure that the Secretary of State for Transport comes to the House to make a statement on his extraordinary announcement today about the extension of the consultation on the future of the coastguard service, especially given the interest of Members from every single party in the House? There has not been another opportunity to discuss the matter on the Floor of the House, so will the Leader of the House ensure that there is a statement when Members can have that discussion?

Sir George Young: There will be a debate in Westminster Hall on 24 March, when there will be an opportunity for the hon. Gentleman to share his concerns. My right hon. Friend the Secretary of State was at the Dispatch Box earlier, and there was a question about the coastguards.

Mr Peter Bone (Wellingborough) (Con): The Prime Minister has quite rightly made tackling human trafficking a key priority of his Government, and I say these next words with some trepidation. I urge the Government to opt into the European directive on human trafficking. That would show real leadership to the rest of Europe on trafficking.

Sir George Young: I welcome the work that my hon. Friend is doing in that area, taking on the mantle of Anthony Steen, our colleague in the former Parliament. As my hon. Friend knows, last June the Government decided not to opt in at that stage to the directive. We have reserved the right to opt in, now that the directive has been finalised, and he might have heard my right hon. Friend the Home Secretary deal with that on an earlier occasion. We hope to come to a decision quite soon on whether to opt in.

Barry Gardiner (Brent North) (Lab): Before budgetary purdah kicks in, will the Leader of the House intervene to ensure the publication of the national ecosystems assessment? He will appreciate that, before the Budget, it is important that we know the clear state of play as to the natural wealth of the country and the environmental resources available to us.

Sir George Young: I hear what the hon. Gentleman says, and I will pass his request on to the appropriate Minister in either the Department for Environment, Food and Rural Affairs or the Department for Energy and Climate Change.

Neil Carmichael (Stroud) (Con): With Professor Alison Wolf's report on vocational training and with the forthcoming budget for growth in mind, may we have a debate about the importance of apprenticeships in order, I hope, to stimulate the appropriate supply of places for apprentices to hold?

Sir George Young: I am grateful to my hon. Friend, who will know that we have found resources for 75,000 more apprenticeships, and I will certainly pass on his suggestion to my right hon. Friend the Chancellor as he puts the finishing touches to his Budget.

Katy Clark (North Ayrshire and Arran) (Lab): The Leader of the House will accept that Back Benchers want to see proper scrutiny of the Scotland Bill. I understand that when any amendments are published, there will be a consultation with the legal establishment in Scotland, as well as procedure in the Scottish Parliament, which will need to pass another motion. What is the rush? Surely, we should not proceed with Report on 22 March.

Sir George Young: There is not a rush, and we have allocated adequate time. We will have had three days, plus Report, to deal with the Bill, which has the support of the Scottish Parliament, and there will be an opportunity, as the Bill goes through both Houses, to consider amendments from the Scottish Parliament.

Jonathan Reynolds (Stalybridge and Hyde) (Lab/Co-op): This week I had the pleasure of attending the Statutory Instrument Committee on mayoral elections, which will correct the drafting anomaly whereby those people wishing to stand for the Labour and Co-operative parties cannot have a party logo on the ballot paper. Correcting that anomaly for candidates to this House will require primary legislation, but the Parliamentary Secretary, Cabinet Office, the hon. Member for Forest of Dean (Mr Harper) was able to make the commitment that that correction would be forthcoming. Is the Leader of the House willing to reiterate that commitment and, in doing so, earn himself the enduring gratitude of the 28 Labour and Co-operative MPs for upholding this fine socialist tradition?

Sir George Young: I am glad the hon. Gentleman enjoyed his time on a Statutory Instrument Committee. The Whips might have taken notice of his enthusiasm, and he could find that the pleasure is repeated on many future occasions. I will raise with the Deputy Prime Minister, who has responsibility for electoral matters, the request that the hon. Gentleman has just made.

Mr Speaker: I am extremely grateful to the Leader of the House and to colleagues, whose pithiness has enabled us a speedy transition to the next business— indeed, to the main business: Back-Bench business, 22nd day.

Backbench Business

[22ND ALLOTTED DAY]

Publication Administration Committee Report (Smaller Government)

Mr Speaker: Before I call Mr Bernard Jenkin to move the motion on his Committee's report, I should remind the House that the Backbench Business Committee has recommended that this item take no longer than 15 minutes. We will then move on to the next debate, on UN Women.

12.15 pm

Mr Bernard Jenkin (Harwich and North Essex) (Con): I beg to move,

> That this House notes the publication of the Seventh Report from the Select Committee on Public Administration on Smaller Government: What do Ministers do?, HC530.

This procedure, involving a motion, is in place of what we hope one day will be an arrangement to make a statement. I will make some remarks and then invite right hon. and hon. Friends to intervene.

Our Committee decided to inquire into the role of Ministers following the Government's decision to reduce the number of right hon. and hon. Members by 50 without a corresponding reduction in the number of Ministers. The Prime Minister made it clear before the election that the public wanted us to

> "cut the cost of politics. Everyone is having to do more for less".

He therefore asked if it was not time that

> "politicians and ministers did a bit more for a bit less".

He was absolutely clear that he intended that statement to apply to Ministers as well as to MPs.

The UK is notable among similar western nations. We have more Ministers than France, Italy, Spain and Germany.

Mr David Nuttall (Bury North) (Con): Does my hon. Friend agree that we could make do with fewer Ministers in the UK if we did not receive as many edicts and directives from the European Union?

Mr Jenkin: I am most interested that my hon. Friend should ask that question, because my Committee is considering the possibility of an inquiry into the impact on Departments of our relationship with the EU and looking for an academic who might support us in that work and help us to construct a cartography of the relationship between EU institutions and Whitehall Departments.

The total number of Ministers has grown steadily since 1900. Our report examines whether revising the role of Ministers could provide a way of reducing their numbers. We took evidence from current and former Ministers, as well as from academics and senior civil servants, and we were left in no doubt that Ministers have a very heavy work load. Lord Smith of Finsbury, a former Culture Secretary, said that the amount of paperwork he had to contend with was "plainly ludicrous" and

> "no way to run a life let alone a country".

[Mr Jenkin]

It is less clear whether all that Ministers do has to be done by a Minister of the Crown. Chris Mullin, in his autobiography, noted his role as "a glorified correspondence clerk" and lamented:

> "So much ministerial activity is entirely contrived and pointless."

Mr Peter Bone (Wellingborough) (Con): My hon. Friend is making a wonderful statement, and I agree entirely with his comments. Is this not just "Yes Minister" reinventing itself, like in that wonderful episode, where it is explained: "When you get a new Minister, what you do is fill his diary and give him plenty of paperwork so he never makes a decision on anything"?

Mr Jenkin: We asked Sir David Normington, who was still permanent secretary at the Home Office when he gave evidence, whether he had ever had to create work to keep a Minister busy, and he diplomatically answered, "Not in recent times".

Mr Greg Knight (East Yorkshire) (Con): One suggestion to my hon. Friend's Committee was that Ministers should do less media work, and that the role should be taken over by paid civil servants. Does he agree that such a suggestion should be roundly dismissed? If Ministers are democratically accountable, which they are, they should also be seen to be democratically accountable.

Mr Jenkin: There is no question but that Ministers should be accountable for decisions that they take. However, can my right hon. Friend put his hand on his heart and say that on no occasion has he seen a Minister promoting a political or personal agenda on a television screen, as opposed to something that is absolutely in the public interest for a Minister to do? In this world of 24/7 media, the amount of media that a Minister could do is almost limitless, and we have to keep a check on the priorities that take up his time.

Lord Rooker thought that many Ministers were under the misapprehension that they were there to manage their Departments. Lord Norton told us that Ministers should

> "focus on what is strategically important, rather that just getting through the paperwork".

So, to echo the title of our report, what should Ministers do? The consensus is that they should set policy priorities, provide leadership to their Departments, represent their Departments across Government and outside, and answer to Parliament. They should focus on their core job and less on what one might call "announceables". Lord Rooker pointed out how they had to operate in this way in the old Northern Ireland Office before devolution, where there were only four Ministers covering a broad range of portfolios. He added that officials were forced to

> "fillet out the key strategic decisions that as a minister you really had to do. So you didn't get all the minutiae that you get in Westminster Red Boxes."

This strongly suggests that having fewer Ministers would itself bring about new ways of working. It is also obvious that if Ministers were reshuffled less often and specialists were more encouraged, they would be more effective as Ministers.

Kelvin Hopkins (Luton North) (Lab) *rose—*

Mr Jenkin: I give way to the hon. Gentleman, who is a member of the Committee.

Kelvin Hopkins: I am pleased to have signed this report as a member of the hon. Gentleman's Committee. Does he agree that reducing the number of Ministers and reducing the payroll vote would also improve the operation of our democracy by making Back-Bench Members concentrate more on holding the Government to account and less on lusting after office?

Mr Jenkin: The hon. Gentleman is absolutely right. We need to remember that right hon. and hon. Members are paid, first and foremost, to be Members of Parliament. I will come to the whole role of the payroll vote in a moment.

Robert Halfon (Harlow) (Con): Will my hon. Friend give way?

Mr Jenkin: I give way to my hon. Friend, who is also a member of the Committee.

Robert Halfon: I congratulate my hon. Friend, having served on his Committee on this report. Does he agree that the big society is all about transferring state power to people power—power to the people—and that we can therefore reduce the number of Ministers because the state will be smaller?

Mr Jenkin: I certainly think that that is an opportunity, and I will come to it later in my remarks.

We must acknowledge that Ministers are busier than ever in Parliament, with more Select Committees, Westminster Hall and other new procedures that bring them before us. However, we believe that Parliament must stop holding Ministers accountable for matters which no longer fall within the remit of Whitehall Departments or, indeed, have never fallen within their remit. The habit of grilling Ministers on every local detail militates against devolution, decentralisation and localism. On the big society, which my hon. Friend the Member for Harlow (Robert Halfon) mentioned, we ask what the post-bureaucratic age will mean for Whitehall Departments and ministerial responsibilities. Presumably, Ministers will become less directly responsible and have fewer decisions to make about things that happen in this country.

By how much could the number of Ministers be cut? Numbers are currently limited by two statutes: the House of Commons Disqualification Act 1975, which limits to 95 the number of Ministers who can sit and vote in the House of Commons; and the Ministerial and other Salaries Act 1975, which constrains to 109 the number of ministerial salaries that can be paid.

Charlie Elphicke (Dover) (Con): It is a privilege to be a member of my hon. Friend's Committee. Does he agree that there is a case to consider for combining the Wales, Scotland and Northern Ireland Offices into a Department of the nations?

Mr Jenkin: One of our recommendations is that that should be given serious consideration. I have to say that it is a relatively minor part of the report, and I would not want those particular proposals to overshadow the important points that we make elsewhere.

Paul Flynn (Newport West) (Lab): Will the hon. Gentleman give way?

Mr Jenkin: I give way to the hon. Gentleman, who is also a member of the Committee.

Paul Flynn: It was irresistible to conclude in this document that there should be a serious look at the position of Wales, Scotland and Northern Ireland. However, if this recommendation were to be accepted, there would be the possible consequence of having no representative of Wales, Scotland or Northern Ireland in the Cabinet, so should we not then look at their changed situation?

Mr Jenkin: Obviously any change in this regard would have to be ameliorated by other arrangements—perhaps a more open and direct negotiation between First Ministers and the Whitehall Government and other means of representation of these interests within Government. As well as the ministerial cadre, the Cabinet is attended by 28 people and it, too, is clearly too large.

Currently, a total of 141 MPs are on the payroll vote as Ministers or Parliamentary Private Secretaries. If this number remains static at the same time as the number of MPs is cut by 8%, the payroll vote as a proportion of MPs will increase from an already staggering 22% to 23.5%.

Adam Afriyie (Windsor) (Con): It seems to me, and I think there is common consensus, that the country is over-governed. Surely reducing the level of over-government means increasing the proportion of representatives in the House of Commons relative to those numbers. I therefore welcome this report, which makes that point absolutely clear.

Mr Jenkin: I am grateful for my hon. Friend's endorsement.

The Government say that they want to see Parliament strengthened, but this increase in the percentage of the payroll vote as a proportion of the House of Commons would further strengthen the Executive at the expense of Parliament; that seems to be unanswerable. PASC urges three steps on the Government to reduce this power of patronage. First, the current legal cap on the number of paid Ministers should be the absolute limit on the number of Ministers. The increasing number of unpaid Ministers has been described as an abuse by one of our witnesses, the right hon. Peter Riddell. Secondly, the legal limit on the number of Ministers in the Commons should be cut by eight, at the very least, in line with the reduction in the number of MPs just enacted. This is, in fact, a very modest reduction.

Thirdly, the number of PPSs should be limited to one per Department. When he gave evidence to the PASC in the last Parliament, Sir John Major described the size of the payroll vote as a "constitutional outrage". His view was that only Cabinet Ministers should be entitled to PPSs. That suggestion was endorsed by Lord Norton and others, who argued that doing so would make the post more meaningful. This would lead to 26 fewer Members being on the payroll vote.

Mr Philip Hollobone (Kettering) (Con): I commend my hon. Friend for the report and for his recommendation on PPSs. I am conscious that I am sitting in front of a distinguished Member of this House who is a PPS. Nevertheless, the report says that, with a few notable exceptions, departmental PPSs

> "perform few functions of real value…the Ministerial Code"

should

> "be amended to limit PPSs to one for each department."

My constituents would applaud that, as, I think, would many Members of this House.

Mr Jenkin: I am most grateful to my hon. Friend for reading out that part of the report. The important point is that PPSs are not paid by the Crown to be Ministers, but they are hijacked by the Executive to prevent them from doing the job for which they are paid, which is to be Members of Parliament. We need to be mindful of the fundamental duty of a Member if they are not a Minister of the Crown.

Greg Mulholland (Leeds North West) (LD): I, too, am proud of this report and of serving on the Committee. Does my hon. Friend think that as part of this process we also need to formalise the role of PPSs, which we all agree has been over-extended and abused, and not only to restrict them to one per Department?

Mr Jenkin: We looked at that suggestion, but it is rather difficult because there is no legal definition of a PPS. However, they are referred to in the ministerial code. I wonder whether something procedural could be done under Standing Orders to formalise the arrangement, or whether they could be given statutory status. However, that is a step further than our report went.

Mr Bone: Is not one of the problems that we have at the moment that very good Members of Parliament get elected to Select Committees, and then as soon as they are offered a job as a PPS, they disappear from the Select Committee where they are carrying out scrutiny and become a bag carrier?

Mr Jenkin: I am most grateful to my hon. Friend for that point, because the large number of PPSs does rob Select Committees of the talent that they need to function effectively. Very often, the most able Members are selected as PPSs and taken away from Select Committees.

To conclude, the academics who appeared before us agreed for the longer term with the suggestion made by Lord Hurd in the previous Parliament that the abolition of

> "20 Ministerial posts at different levels would not only be popular but would be followed immediately by an adjustment of workload."

We therefore repeat the recommendation made in our original report that, over the course of this Parliament, the total number of Ministers should be reduced to 80, shared between the Commons and the Lords. We welcome the fact that the Government's thinking seems to be moving in that direction. The Deputy Leader of the House said last year that

> "it is likely that at some stage in the future we will reduce the number of Ministers."—[*Official Report*, 25 October 2010; Vol. 517, c. 129.]

I welcome that. I hope that the report will encourage the Government to move in that direction faster, and to review the number and functions of Ministers in a way that strengthens Parliament and delivers a better quality of government.

Question put and agreed to.

UN Women

Mr Speaker: I explain for the benefit of the House that I have selected the amendment in the name of the hon. Member for Slough (Fiona Mactaggart). I pass on the recommendation of the Backbench Business Committee that the Member opening this debate, the hon. Member for Epping Forest (Mrs Laing), whom I shall call in a moment, should speak for no more than 15 minutes.

12.31 pm

Mrs Eleanor Laing (Epping Forest) (Con): I beg to move,

> That this House recognises that around the world women continue to suffer discrimination and injustice simply because of their gender; notes that underlying inequality between men and women is the driving force that results in 70 per cent. of the world's poor being female; recognises that empowering women will drive progress towards all the Millennium Development Goals; welcomes the launch of UN Women, the UN Agency for Gender Equality and the Empowerment of Women, on 1 January 2011; recognises that the agency is an example of UN reform to improve efficiency and co-ordination; and calls on the Government to provide support to the new agency to ensure it has the resources required to end the discrimination that keeps millions of women in poverty.

May I begin by thanking the Backbench Business Committee, and in particular its Chair, the hon. Member for North East Derbyshire (Natascha Engel), for choosing to hold this debate in the week in which we celebrate not only international women's day, but the centenary of the first international women's day? Some Members of this House and people further afield have questioned the need for this debate, and have suggested that there is not much interest in the subject. The fact that you, Mr Speaker, have put a time limit of eight minutes on speeches, and the number of Members I see in the Chamber prove simply and beyond doubt that those people are wrong. We need this debate. I am the first to say that we will not change the world by having a debate in the House of Commons, but it is our duty to ensure that the issues before us are kept high on the political agenda in the United Kingdom and across the world. That is what I hope this debate will achieve.

In 1911, on the first international women's day, women in Britain were still fighting for basic rights, including the right to vote, as we all know. I like to think that if I were 100 years older, I would have been an ardent suffragette, although I am pretty sure that I would not have been an ardent socialist suffragette. I would have needed my own movement to separate the two. I am sure that every Member in the Chamber this afternoon, and not just the women, would have supported the suffragist movement.

I was privileged in New York three years ago to be one of the UK Parliament's representatives to the UN Commission on the Status of Women. When I met and listened to the presentations of women from all over the world, it struck me forcefully that the problems that our great-grandmothers struggled with at the time of the first international women's day a century ago are still faced by most—not some, but most—women across the world today. As the motion states,

> "around the world women continue to suffer discrimination and injustice simply because of their gender".

I welcome the setting up of UN Women, which is properly called the UN Agency for Gender Equality and the Empowerment of Women. I congratulate our Government on their support, particularly through transitional funding, for the new organisation. We all know that the United Nations has not always been the most efficient of organisations, but we must recognise that the new agency is an example of UN reform and is intended to improve efficiency and co-ordination. I welcome the Government's approach to that aspect of the UN. The agency will not be just a talking shop. It is through empowering women that we, as an international community, will drive progress on all the millennium development goals, which everyone in this House supports.

I applaud the appointment of Michelle Bachelet, the former President of Chile, as the first executive director of UN Women. Most Members will agree with what she said when the agency was launched:

> "Think of how much more we can do once women are fully empowered as active agents of change and progress within their societies".

She said:

> "My own experience has taught me that there is no limit to what women can do."

[Hon. Members: "Hear, hear."] I heard a little, "Hear, hear." [Hon. Members: "Hear! Hear!"] Thank you very much. Every woman, and indeed most men, in this House will agree with that statement—there is no limit to what women can do. To put joking aside, I never say that women can do everything that men can do.

I will be careful in my remarks, Mr Deputy Speaker, to respect the rules on parliamentary language. As I heard Jenni Murray, the excellent presenter of "Woman's Hour" on the BBC, say earlier this week, "I will be very sparing in my use of the F-word. I will try very hard not to mention feminism." *[Interruption.]* I am being goaded into mentioning feminism. I will mention it and I will also mention equality. However, although the concepts of feminism and equality are good to talk about, they are not what this debate, the motion and our aims are really about. I prefer to talk about empowerment. The point of empowering women, rather than just helping them or saying that they ought to be equal, is that doing so and giving them the practical skills that they need can make a difference in the societies in which they live and operate. It may come as a surprise to know that women earn only 10% of the world's income, even though they work two thirds of the world's working hours—and I bet that does not include looking after the children. Evidence shows that when women earn and manage their own money, they are more likely than men to spend it on educating and feeding their children.

I am not being narrow-minded and concentrating on feminism, and I do not argue that men have got everything wrong and that women can put it all right, but I do argue that wasting the potential skills and abilities of half the world's population because of discrimination is simply appalling. If we really want to help developing nations, as well as continuing to help our nation, Europe and the western world, we must recognise the role of women.

I do not have time to develop all the details of the work that has to be done, but the House knows them well and many speakers will develop these points this afternoon. We have to tackle violence against women in all its forms, here in our own country and especially across the world and the horror of such violence in war zones. We have to tackle trafficking, forced labour, the fact that women are deprived of education, the fact that women need to control their own fertility to have any chance of empowerment or being able to contribute to their society, and the fact that women's health is ignored in so many parts of the world. There is also, of course, the continued fight for democratic representation. I look forward to hearing what many colleagues will say on those and other subjects this afternoon.

I have been talking about women across the world, but let us not pretend that we have conquered the problems here in Britain. We can look around us, because 22% of MPs are women. I am sure other Members will agree that when we meet people at UN meetings and other international gatherings, they are astounded to hear that in Britain, just over a fifth of Members of our precious and much-respected House of Commons are women.

Tony Baldry (Banbury) (Con): My hon. Friend is sounding a bit like a vicar we used to have when I was a child, who constantly used to blame those who were in church for those who were not.

My experience, having sat on a selection committee, is that some of the people who are hardest about not selecting women candidates for Parliament are, perversely, women on selection committees.

Mrs Laing: Absolutely right; my hon. Friend is totally correct. We have all been through it, and I have seen it. I know that it happens in our party, and I hear anecdotally that it does in other parties, too. He is also right to say that those in church are blamed for those who are not there. We need more women to come forward to be part of the democratic process, but we need to make it possible for them to do so. If I were to cover the points that I have made many times before on that subject, I would take far more than the five minutes still left to me, but I hope that other Members will address it this afternoon.

We have a long way to go, but I also say to the House—and I mean it—that the percentage of women in the House is not what really matters. What matters is making our voices heard when we are here. What matters is punching above our weight, and let us face it, our weight is generally much lower than that of our male colleagues. There is now a critical mass of women in this place that there was not when I first came here 14 years ago, and it is up to us to make our voices heard. That is exactly what we are doing this afternoon.

Naomi Long (Belfast East) (Alliance): Does the hon. Lady agree that there is an important, subtle difference between working in an environment that is predominantly male and working in one that is male-dominated?

Mrs Laing: The hon. Lady puts it very well. The environment in which we work is both predominantly male and male-dominated, but we might not be able to change the former as quickly as we can change the latter by making our voices heard. I am pleased to see that so many women and men are here to do so this afternoon.

If our democratic deficit is bad, the deficit is even worse in the business world. I draw the attention of the House to Lord Davies's excellent recent report, which identifies the loss to our economy because so few women are on the boards of UK companies. Once again, we cannot insist on their being there, but we can create the conditions that make it possible for them to live up to their aspirations and the aspirations that we as a society have for women.

At the same time, two thirds of low-paid workers in Britain today are women, and across the country, two women die every week as a result of domestic violence. Throughout the work force, women still earn an average of 16% less than men. It is not by changing the law that we can change those things and the others that are wrong, but by changing the attitudes of society. That is why it is important that we talk about these matters in the Chamber.

The great tragedy of the lack of women's representation, the lack of women in top places in industry and the lack of women doing the jobs that they could be doing is that it is a waste to our economy and our society. The pursuit of equality is not just a philosophical end. If we take the empowerment of women seriously, then across the world, and especially in developing countries where it is so desperately needed, we must give women the chance of good health and good education, to develop skills and contribute to the work force, and to give their children the health and education that will strengthen future generations. If we empower women, we will let them teach their children that co-operating, living together in peace and respecting other people is a more worthy ideal than the old-fashioned way of fighting for territory and proving oneself the stronger man.

By empowering women, we will be able to instil in future generations the idea that the most important goal is respect for fellow human beings and basic human rights. We have come a long way on basic human rights. We believe—let us take this message to developing countries, too—that people should respect their fellow human beings and accord them the same rights that they would wish to have themselves. No matter what a person's colour, what country they come from, what their religion is, what they look like or what they sound like, we would wish to accord them equality.

As we celebrate international women's day, and as we ensure that we keep all those issues high on the political agenda, what chance do we have as a society, and further afield across the world, of according basic human rights and human dignity to the world's minorities if we cannot start by according those rights and that basic dignity to half the world's population who happen to be women?

I am pleased that we are able to have this debate, and I look forward to Members examining in greater detail the issues that I have raised. I thank the House for coming together this afternoon to ensure that those of us who are privileged women in a developed society can speak up for our sisters across the world who need our help.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. As has already been indicated, there will be an eight-minute limit on speeches.

12.48 pm

Joan Ruddock (Lewisham, Deptford) (Lab): I can honestly say that it is a great pleasure to follow the hon. Member for Epping Forest (Mrs Laing), whom I

[Joan Ruddock]

congratulate on securing the debate. I wish to speak about two issues: the suggestion in the amendment in the name of my hon. Friend the Member for Slough (Fiona Mactaggart) that a women and equalities audit Committee should be established in the House, and what is happening to women in Egypt.

The common thread is CEDAW, the UN convention on the elimination of all forms of discrimination against women. Its custodian is UN Women, the new body led, as the hon. Member for Epping Forest said, by the remarkable woman who was the President of Chile, Michelle Bachelet. CEDAW is a legally binding international agreement, and by ratifying it, states commit themselves to reporting to the CEDAW committee on a periodic basis.

When my right hon. and learned Friend the Member for Camberwell and Peckham (Ms Harman) and I were appointed as Labour's first Ministers for Women in 1997, we found the CEDAW agenda had become invisible. However, over the years, Labour Ministers for Women and women Back Benchers ensured that progress was made, culminating in the Equality Act 2010, which was achieved through the dogged determination of Labour's deputy leader.

The UK's last periodic report to CEDAW runs to 164 pages, detailing the groundbreaking changes made by the Labour Government to advance women's equality, yet we always knew that it was not enough to have progressive ideas and Ministers for Women driving forward legislation. We always argued that all Government Departments must pass the women and equalities test of whether they were discriminating. In the Equality Act 2006, we introduced the gender equality duty on all British public authorities, but there was no specific role for Parliament. It is time that Parliament is given the power to scrutinise the Government on women and equalities.

The current Government's reckless economic policies deserve particular scrutiny. The Treasury attempted to produce an equalities impact assessment of its spending decisions, but the Women's Budget Group says:

> "The Treasury provides almost no quantitative data on how men and women will be affected...and excludes most aspects of the Spending Review from its analysis".

The WBG's analysis finds that the Government's programmes represent

> "an immense reduction in the standard of living and financial independence of millions of women, and a reversal in progress made towards gender equality."

Most damningly of all, the WBG argues that

> "the Coalition is happy to restore an outdated 'male breadwinner, dependent female carer' model of family life".

Surely no women Members came to the House to promote such a return to the 1950s, yet Parliament does not have the tools and resources to test those claims. Only a new Select Committee, in the form of an audit Committee, could hold this and later Governments to account on women and equalities. I hope the House seriously considers this proposal.

Let me turn to events abroad. So often, women are the victims of wars that they never started, and too often excluded from the peace they helped to win. After 9/11, I worked with Afghan women and went to Kabul on two occasions. I have never met braver women, and their struggle is far from over. That same struggle now faces the women of the middle east. In Tunisia and Egypt, they have had a phenomenal victory, but they know that it is only the beginning. All too soon, the usual male patterns are emerging. Sharon Otterman, reporting on Egypt in the *International Herald Tribune*, stated:

> "The panel of eight legal experts appointed by the military authorities to review the constitution did not include a single woman."

I saw that again and again in Afghanistan—at every stage efforts were made to exclude women, and to explain that now was not the time for women to demand their rights. However, rights postponed are rights denied.

Jo Swinson (East Dunbartonshire) (LD): I share the right hon. Lady's concern at the lack of women's voices in the creation of the new structures in Egypt and at the fact that there are no female experts on the constitutional committee. More worryingly, the new draft rules on who can lead the country assume that the President will always be male, by saying that Presidents must not be married to a foreign wife.

Joan Ruddock: The hon. Lady is absolutely right—that is a shocking indictment of what is happening, and as I said, it is all too typical.

The good thing is that women in Egypt are fighting back. A coalition of no fewer than 63 women's groups started a petition to include a female lawyer on that constitutional review. In the past few days I have been in touch with women activists in Cairo. Mozn Hassan, who runs Nazra, told me that women, especially young women, from all classes and political ideologies were involved in the revolution. Breaking out of their traditional roles, they protested, led human rights groups, helped injured people and protected checkpoints. They succeeded in creating public space for women and a dialogue between women and men.

Nazra is very clear about its future direction. It sees its task as a group of women activists to ensure that its advocacy and grass-roots work is political, and part of the political demands being made in Egypt. Social mobilisation is one of its main tasks, and it is working hard to ensure women's rights are a priority in the transition. Guaranteeing gender mainstreaming in the constitution, to which the hon. Member for East Dunbartonshire (Jo Swinson) referred, is one of its immediate demands.

I want to give the last word today to Nawal El Saadawi, the world renowned writer and feminist, whom I had the pleasure of meeting in the 1980s. Nawal has inspired generations of Egyptians. In 1972 she lost her job in the Egyptian Ministry of Health because of her book, "Women and Sex", which argued against female genital mutilation. She was later imprisoned and put on trial several times. She spearheaded changes to the law on children and the banning of female genital mutilation in 2008.

Nawal was part of the coalition that organised the women's protest on international women's day, and I heard from her that evening. She appealed for our support for global and local solidarity for women and men against all types of injustices and inequalities in the world—between countries, races, classes, sexes and religions. She told me that

> "Almost half of Egyptians, mainly women, live in extreme poverty".

Nawal knows better than most of the colonial exploitation and military aggression against women and men in the countries of the middle east. After five decades of personal struggle she is still determined to fight for equality and democracy in Egypt. I hope the House pays tribute to her and all women of the middle east, and indeed the world, who still campaign, on the 100th anniversary of international women's day, for equality, justice and democracy.

12.57 pm

Jo Swinson (East Dunbartonshire) (LD): I echo the thanks to the Backbench Business Committee for ensuring time in the Chamber for this debate, and particularly thank its Chair, the hon. Member for North East Derbyshire (Natascha Engel), and the other hon. Lady on the Committee, the hon. Member for Battersea (Jane Ellison). I understand that the decision to hold this debate today is seen by some as somewhat controversial, but the decision is nevertheless the right one. I shall speak about the international context, including the new UN agency, UN Women, and the role of women in conflict and foreign affairs, and briefly about the amendment.

The arrival of UN Women represents an historic opportunity to transform the lives of women and girls across the world, who are too often affected by discrimination and injustice. The aims—rightly—are far reaching, ambitious and unprecedented. Transforming attitudes at the highest levels of government that exclude women from the top global decision-making tables is perhaps one of its biggest challenges, and indeed one of the most important. By addressing the previous gaps and inadequacies of the UN system, UN Women has the potential to facilitate much stronger and more systematic engagement with women's rights. The creation of UN Women is a recognition that gender is as important as any other development issue, and represents a promise to drive progress.

I am pleased that the Government and the Opposition have supported the agency from its inception, because Britain can in that way present a united case internationally. However, it is important that that support is matched with appropriate levels of financial support and practical help. Funding is a huge challenge—it cannot be overestimated—for UN Women: $500 million is needed to run the programme in the first year alone, followed by at least $1 billion a year after that to enable it to have an operational presence on the ground. The Department for International Development's review of multilateral aid published just last week recognised that UNIFEM had failed owing to constrained resources. With only 230 staff, UN Women has inherited UNIFEM's under-resourced infrastructure. We do not want to set up an organisation to fail from the start, so ensuring that this issue is addressed is vital.

The UK's response is very important. Many other countries are deferring their announcements and pledges until the UK has said what we will do.

Naomi Long: Although on the face of it the UK Government's position—to defer a decision until the action and strategic plan have been confirmed—seems reasonable, is there not a concern that in order to show leadership, we have to give stronger commitments ahead of that strategic plan to allow this to be developed more coherently?

Jo Swinson: We need to do both. We need to make clear our commitment and offer every possible assistance in the swift development of the strategic plan. One of the challenges facing UN Women is to create a range of indicators that can monitor properly what progress is being made on women, peace and security goals. Under the current structure, that will take two years, but that is too long. I know that DFID Ministers have agreed with that, so anything that the Government can do to assist in driving this forward more quickly would be helpful. This is money well spent. Last year's World Economic Forum global gender report draws a clear correlation: countries with greater gender equality have more competitive economies that grow faster. We need to be very robust about that.

We have moved away from a situation in which war and conflict were about engagement between two sets of armed forces fighting on a particular location. Wars today are characterised by violence directed against citizens and innocent people, particularly women and girls, who get caught up in fighting and unrest. It is important to recognise the role of women not only as victims within conflict, but in reaching across battle lines to call for peace. Africa's first female head of state, Liberian President Ellen Johnson Sirleaf, commented:

> "Women's contribution to the search for durable peace is remarkable, unparalleled, but most often overlooked".

In the past 25 years, only one in 40 peace agreement signatories was a woman. UN Security Council resolution 1325, in 2000, captured the essence of women's contribution to peace. It calls on the international community to live up to its responsibility to include women in conflict prevention, peacebuilding and reconstruction, while protecting human rights during conflict and preventing gender-based violence. As a result of its sister resolution, 1888, we welcome the appointment of the first special representative on sexual violence in armed conflict, Margot Wallstrom, and I understand that she was recently in Parliament and that many Members were able to meet her. She is now leading the investigation into the shocking sexual violence that took place in the Democratic Republic of the Congo.

Widespread violence against women and girls continues to fuel conflict and insecurity. It is often framed as unrelated to gender-based violence during peacetime, as if war happens and suddenly this violence erupts. Actually, however, the only difference is the degree to which perpetrators can act with impunity during war owing to the absence of the rule of law. All too often, this violence has been bubbling under the surface during the apparent peace. A shocking statistic is that 87% of Afghan women experience domestic violence and live with that constant insecurity. That only extends the cycle of conflict, violence and marginalisation, so it is important to deal with violence against women not only in conflict, but in apparent peacetime.

The UK was one of the first countries to develop a national action plan on implementing resolution 1325,

[Jo Swinson]

but we still need to ensure that we have a coherent national plan and policy looking at the issues of women, peace and security.

Mr Denis MacShane (Rotherham) (Lab): I am in full agreement with everything that the hon. Lady says. Does she agree that one of the worst forms of violence against women is trafficking, the majority of victims of which are women being trafficked into sex slavery? Does she think that it would be a good idea to sign the EU directive against trafficking?

Jo Swinson: There was an exchange about that during Women and Equalities questions. When in opposition, I was one of those arguing strongly for the previous Government to sign the directive, so I would welcome it if this Government could do so, and I look forward to their announcement on the matter with great interest.

Trafficking is clearly a very important issue. However, I would not say that it is one of the worst examples of violence against women. I think that day-to-day violence against women, particularly by partners and husbands, which affects women not just internationally but in this country, is often ignored or swept under the carpet, so I welcome the Government's plan to raise, and campaign on, sexual consent issues in order to deal with those problems, particularly among teenagers. The role of the education system cannot be overestimated. In particular, I know that there is a move within the Government not to require schools to adopt as mandatory any parts of the curriculum that are not absolutely necessary. I would argue that sex and relationships education, particularly emphasising the importance of sexual consent, is vital and should be in the education system.

Rehman Chishti (Gillingham and Rainham) (Con): The hon. Lady is highlighting the significant issues in our country. Between 2009 and 2010, 74,000 cases of domestic violence in this country were prosecuted by the Crown Prosecution Service. We need to ensure, therefore, that we change people's attitudes towards prevention, rather than simply looking at the final outcome.

Jo Swinson: I agree wholeheartedly with what my hon. Friend says.

I have heard expressed the view that women's rights are an add-on or a luxury—something to consider when we have dealt with everything else—and that they are a bit fluffy and a bit like motherhood and apple pie, but that they might not always be possible. I hear that frequently in discussions in the House on issues such as Afghanistan. People say, "Well, we didn't go in there to sort out equality for women." I do not think this is a luxury only possible in developed and western societies, however, and I disagree that it is paternalistic or imperialist to impose the UK's value system on countries with different cultures. It is pragmatic and practical—and, in my view, it also happens to be morally right. However, it is right even if we look only at the pragmatics.

On economics, if a country does not educate half its population, it will lose out on talent and will not have as much economic development. Women are an integral part of building a lasting peace. I welcome what Hillary Clinton has been doing on this as Secretary of State by unashamedly putting women and girls back on the foreign policy agenda as a matter of urgent priority, rather than a sideline issue. In her first five months in office, the word "woman" was mentioned 450 times in her speeches. It is refreshing to hear that at such a high level. I know, from speaking to Ministers in this country, of their clear commitment to the issue, and I urge them to continue in that, despite some of the voices trying to suggest that this is a fringe issue. Whether in Afghanistan, Egypt—as we have discussed—Iraq or Tunisia, involving and empowering women is part of creating successful, stable and economically prosperous societies.

I do not have time to deal with the amendment in detail. However, I believe that a women and equalities audit committee would enable us to question Ministers on exactly those things, and produce reports to ensure that the issue is high on the agenda.

1.8 pm

Jim Fitzpatrick (Poplar and Limehouse) (Lab): It is a pleasure to follow the hon. Member for East Dunbartonshire (Jo Swinson), with whom I agree about resourcing UN Women. I met recently representatives of Voluntary Service Overseas who discussed UN Women with me. They emphasised how the new agency was created in response to a concern that the UN system was failing women.

Very little is being asked of the UK Government in global economic terms. The UK, which was crucial in establishing the agency, is being asked to commit £21 million in annual core funding—just 0.2% of the UK's overseas aid budget—to UN Women. UN Women is now in a most precarious and parlous position. The Government have stated that one of the Department for International Development's six priorities is to lead international action to improve the lives of women and girls. As my friends in VSO say, therefore, the Government should step up to the mark and commit the funds. Without even the most minimal of financial input to keep it going, UN Women will continue to lack not only the staff, but the presence necessary to reach out to, and work with, women across the globe.

We know that many other countries are looking to the UK for leadership on UN Women, owing to our pivotal role in setting it up. In this case, why not make that a cause of great pride, by turning our commitment to gender equality into something concrete? I look forward to hearing the latest from the Minister on that, and I commend the Government on their support for the agency.

When I discussed international women's day with my senior parliamentary assistant Debbie Fenn recently, she referred me to a book written in the early 1980s, "The Triple Struggle", a compilation of the experiences of Latin American peasant women in their own words, put together by Audrey Bronstein. The "triple struggle" referred to the three major ways in which those women experienced hardship: they were women in a society dominated by men; they were peasants, and as such lived in a state of collective poverty; and they were inhabitants of the third or developing world. Although the book was written in 1982, the themes remain. It is of paramount importance to record and highlight the ways in which those at the sharp end—those facing the worst oppression and subjugation—battle, learn, develop and refuse to be victims.

Stemming from the Bangladeshi aspect of my constituency of Poplar and Limehouse, it is Bangladesh that I know best when it comes to aid issues, charitable activities and, in particular, women's development. I have now visited the country on a number of occasions, including on a VSO placement with my wife Dr Sheila Fitzpatrick. I strongly commend the VSO's parliamentary scheme, in which a number of colleagues have also participated. Sheila and I have developed a close and ongoing link with Shishu Polli Plus, known as Sreepur Village. I would like to say a few words about how the place has affected me, showing me how our efforts and actions in the UK can translate into something significant and meaningful when we work with others—and in particular with women—in one of the world's poorest countries.

Part of the theme of this year's international women's day is about providing a pathway to decent work for women. This aim or objective is very much what Sreepur is all about. I should declare an interest, in that I am a patron of the charity and my wife Sheila is a trustee. Three of the nine trustees are MBEs, which says a lot about the charity: Rubina Porter from Merseyside, who was most recently honoured; Trisha Silvester, the chair of the charity who runs the UK headquarters; and Pat Kerr, the founder and inspiration behind the village. Pat was a British Airways cabin crew member and set up the orphanage over 21 years ago with the help of friends and colleagues. To its credit, BA has assisted over the years, and Derek Palmer, Pat's husband, is also a trustee. Colleagues of my generation may remember the Desmond Wilcox documentaries on the BBC that gave publicity to what is a great institution.

Sreepur Village provides a loving environment, food, clothing, education and vocational training for destitute women and their children. Thousands have benefited over the years. Sreepur Village also runs an outreach programme in the local community. Details are available on the Sreepur website. Sreepur Village is quite a place. Words such as "awe-inspiring"—or, more commonly these days, the Americanised "awesome"—are often bandied about without meaning much. However, some places really are awe-inspiring, or simply inspiring, and Sreepur is one of them. I should also mention Khadija Sultana, the executive director in Bangladesh, and Maureen Fox, the administrator here in the UK. Colleagues have probably got the idea that I am talking about a lot of amazing women who are the core movers of the charity.

VSO has also started the Godmothers campaign. What marks out VSO is its core belief. It does not lift people out of poverty; it gives them the tools to climb out of it themselves. What is impressive and moving about the Godmothers campaign is the notion of a group of people watching over UN Women—and, in my view, watching over not just the organisation of that name, but flesh-and-blood women in the world who need our solidarity and support. The aim of the Godmothers campaign is to see UN Women properly funded. The organisation was given that name because it was originally anticipated that it would be women who would wish to watch over UN Women, but there are men, too. There is also an understanding of what has hampered previous UN women's agencies, and there is a determination that the new agency should not be thwarted in similar ways.

Together, "u" and "n" are two big letters; "un-" is a small but deadly prefix. Words such as "unworkable", "unproductive" and "untenable" are all pretty miserable terms. Worst of all, in terms of being of tangible assistance to the women of the world, is "unsuccessful", because if this kind of work is unsuccessful, it means a failure not only to improve quality of life, but to save lives. The stakes could not be higher. That is not what the Godmothers want to see; they want, and I want—and, I am sure, the whole House wants—UN Women to work to its fullest potential.

The sentiments expressed in the motion and the amendment from my hon. Friend the Member for Slough (Fiona Mactaggart), which I also support, are laudable. I would probably choose to speak more of nurturing, supporting and encouraging the self-empowerment of women than of "empowering women", as the motion suggests, but the basic premise is that women in our one, big world matter. There is no point talking about the big society if one half of it is not heard, not reached and not included. I look forward to other contributions to this debate.

1.15 pm

Mrs Helen Grant (Maidstone and The Weald) (Con): Ending violence against women is a priority for UN Women, and it is this issue that I would like to speak about today. My first experience of domestic violence came when I was about 10 years old. My mother had been inspired by Erin Pizzey and, with some other women, helped to set up the very first women's refuge in Carlisle, where we lived at the time. I remember going to the refuge with my mother sometimes. I would sit at a big old brown table, pretending to be getting on with my homework, but really I was watching her work. I would see her surrounded by people who were truly in need.

Before becoming an MP, I was a practising solicitor for 23 years. I should declare an interest, in that my firm looked after around 13,000 clients in the south London, Surrey and west Kent area, many of them needy and vulnerable victims or children. Every year we sought hundreds of non-molestation orders and occupation orders under the Family Law Act 1996. I remain very proud of the work that my staff still do and of the contribution that the practice makes to community safety in the area.

For me, domestic violence is a scourge. It does not discriminate; it permeates age, race, class and gender, although 75% of victims are women. The youngest person for whom I had to obtain an order was a little baby; the oldest person was a 90-year-old woman who was being abused by her alcoholic son. I have had many multi-millionaires in my office seeking protection. I have also had many young girls who had literally nothing to call their own.

Domestic violence crushes self-confidence and self-esteem, which are the prerequisites for aspiration, motivation, success and the ultimate goal of social mobility. One of the most disturbing statistics—one that continues to haunt me, and one that my hon. Friend the Member for Epping Forest (Mrs Laing) also mentioned—is that two women in this country die every week because of domestic violence. From a zero tolerance point of view, I think that things are better now than they were in the '70s. There is a wide range of laws and support organisations in this country to protect victims,

[Mrs Helen Grant]

but there are still some major problems: problems with implementing our laws and with eligibility for legal aid; no recourse to public funds; not enough done on prevention; and ongoing scepticism greeting women and children when they report violence.

Scepticism in our society is the reason we still hear comments such as "Why didn't she leave him?", or "She probably wound him up." Such comments reveal an underlying suspicion that somehow the woman is to blame or is responsible for the violence inflicted on her. We know that there is no excuse for violence, but society desperately needs to understand that message too. The message needs to start at schools, with our young people. We need to talk to them about respecting themselves and respecting others, and about gender equality and empowerment.

Recent NSPCC research found that one in four girls, some as young as 13, had been hit and slapped by their boyfriends. That is absolutely terrible. It is awful because it is creating a breeding ground for abusers and for the abused. Domestic violence is abhorrent and inexcusable. Every time I hear about a bad incident, it makes me wonder what sort of world we are living in, and how we can improve it. A big part of the answer is that we need a seismic change in attitudes and behaviour, as well as an acceptance that our rules, laws and regulations are not going to fix the problem on their own. I hope that UN Women, with its ability to mobilise, advocate, co-ordinate and champion, will be a global catalyst for much-needed change.

1.20 pm

Margaret Curran (Glasgow East) (Lab): It is a pleasure to follow the hon. Member for Maidstone and The Weald (Mrs Grant). Her powerful speech provided evidence of why we need debates such as these. I know that we can create parliamentary consensus around such profound issues, and that we all share many of the views she expressed.

I also echo the comments of the hon. Member for Epping Forest (Mrs Laing)—this job does wonders for my geography—and congratulate the members of the Backbench Business Committee on securing the debate. The hon. Lady said that international women's day gives us a real opportunity to celebrate the achievements of the past and recognise the hard work that many women have put into them. It also gives us pause for thought as we remember the many difficulties that remain and the efforts that we still need to galvanise around as we seek to improve the lot of women. She pointed out that this is a particularly special international women's day, as it is its 100th anniversary. I am delighted to be the first ever woman to represent the east end of Glasgow in this Chamber and that the city of Glasgow has two women representing it at the same time. That is a great achievement, but I shall keep working until we have more than that.

Of course we want to reflect on international issues on international women's day, and the choice of UN Women as our subject is particularly helpful. I should like to reflect on the work of the UN in Palestine, and to focus on the issues relating to women there. I undertook a recent visit to Palestine that was sponsored by the Council for Arab-British Understanding. We have discussed on many occasions the ways in which to create a peaceful solution in the middle east, and I appreciate that there are different views and perspectives on how we should pursue that agenda. Sometimes I think that, in the grand sweep of the political narrative, women's voices are not heard and their experiences not understood. Therefore, by definition, a complete political understanding cannot be reached, and complete solutions cannot be reached if we have only a partial understanding of the situation. In our debates on the middle east, the experiences of women, the pressures they face, the desperation they feel and the daily grind of their day-to-day lives have not featured strongly enough.

On my visit to the occupied Palestinian territories, I saw that women's access to educational institutions, to places of employment and to health care clinics had been severely limited by the restrictions on Palestinian freedom of movement. Obviously those issues affect men and women, but my conclusion, following my visit and the reading that I have done since, is that those factors have a disproportionate and particular impact on women. That is what I would like to talk about this afternoon.

The annexation wall, which has been built across 85% of Palestinian land, appropriates land, disconnects communities and restricts access to medical care and workplaces. I saw particular evidence of how the day-to-day management of life has been affected by it. Routes to school have had to be changed, for example, making it difficult for women to get their children safely to and from school. There is evidence of women having had to give birth at checkpoints because they could not get through them in time to get to hospital. There were no guarantees that anyone could get to their medical appointments. Furthermore, young women in particular are now finding it difficult to get to universities. Their families are nervous, rightly or wrongly, about what women might experience going through the checkpoints.

I visited an area just outside Bethlehem called al-Walaja, where I met a mother of young children who was living in very difficult circumstances. Access to the land was severely restricted, as was the family's income as a result. She was living with the stresses and strains of her family situation, with young children to manage, and with that huge wall right outside her front window. We need to reflect on the daily grind of those people's lives. The wall restricts freedom of movement, and time and costs are greatly multiplied by its presence. There is a permit regime associated with it, and 500 other obstacles, including road blocks and checkpoints, are now imposed on the day-to-day lives of Palestinian women and their families.

There is a range of other issues involved. Permit regulations have an impact on family life. Couples and families are often effectively prohibited from living together. Many families are separated, particularly when the father is unable to work near his family. That has an enormous social and economic impact. We must also remember the military detention of children, often for throwing stones. Families might not know the location of their child, who can be held for up to eight days without access to the family or a lawyer. These are huge issues that are themselves worthy of a debate.

I want to focus on the impact of all these factors on women. During my visit to the west bank, I was overwhelmed by the unbearable pressure that they face, particularly mothers, who might not participate in the political sphere but who have to try to manage the day-to-day consequences of the presence of the wall, the demolitions, the hostility of the settlers, the necessity to manage the permits, the identification rules that do not permit people to live with their families and, most overwhelmingly of all, the poverty and lack of economic opportunity.

I know that Palestinian women are demonstrating on international women's day, and campaigning to have their interests represented in their own political movements and representative organisations. They have had some success. Recently, a national plan to combat domestic violence has been adopted in the Palestinian territories. I think that it is the first Arab territory to adopt such a plan. I hope that we, as women in this Parliament, can use our influence here, in the United Nations and through other avenues to draw attention to the issues that Palestinian women face. We must show our solidarity with and support for women who are struggling in their own communities and whose day-to-day issues need political attention. I hope that international women's day will give us the opportunity to focus on not only our own experiences but those of women internationally, especially those living in such desperate circumstances who have rarely been heard.

1.28 pm

Amber Rudd (Hastings and Rye) (Con): It is a pleasure to follow the hon. Member for Glasgow East (Margaret Curran), with her powerful advocacy for the women of the middle east and her description of the very difficult lives that they are living out there.

I welcome UN Women's ambitious and wide-ranging plans for women. Talking about the differences and similarities between men and women can be tricky, but does it counter the strong, rational argument for equality to raise the clear differences that exist? For instance, if we say that women are more likely to fight for peace, do we make it less likely that they will be taken seriously in a military scenario? Can we discuss differences without falling into the trap of stereotyping men and women into caricatures of themselves—the pink team and the blue team? It might be tricky, but it is dishonest to ignore the clear differences between men and women—the positive differences that create better outcomes.

There have been several references this week to the report from Lord Davies on women in the boardroom. I should like to draw the House's attention to a report that came out this week from the City law firm Eversheds, which carried out a study of 234 listed companies. It showed that corporate governance issues had absolutely no effect on the share price, except in one area. The fact that there were more women on the board of a company had a positive influence on the share price. Let us hope that fund managers will pick up this important news and perhaps make it obligatory for the businesses they invest in to take on this particular aspect of corporate governance.

I am not here to raise the issue of equality on my own behalf or for women like me, as I recognise that I have had many privileges, but the issue is vital for less developed countries. As my hon. Friend the Member for Epping Forest (Mrs Laing) pointed out, it is perhaps our duty, particularly on international women's day, to raise this issue for other women. It is because of the differences and the vital but different contributions women can make that we need to fight for their opportunities and influence those outcomes when we can.

Andrea Leadsom (South Northamptonshire) (Con): Does my hon. Friend agree that the fact that so many women in needy countries are taking out micro-finance loans to provide for their children shows how the role of women is absolutely essential to feeding so many children in less developed parts of the world?

Amber Rudd: I thank my hon. Friend for her contribution; in fact, I am about to talk about a similar situation. As she implies, the difference women can make to managing their families in the developed world can create an opportunity for non-governmental organisations and perhaps UN Women to focus on women as providers in their own communities.

The human rights case for equality is, I believe, glaringly simple. Girls and women should not be disadvantaged because of their gender, and where that is the case, we need to remove the barriers in their lives. We know what a lot of those barriers are: they are to do with education, health, and taking action against violence, and the UN Women initiative will focus on those. I feel sure that few would disagree with that.

Naomi Long: As a former civil engineer, one of my passions is the delivery of clean water and sanitation, which is also a gendered issue. Does the hon. Lady agree that if we are to liberate women from the long haul of bringing water to their families, which inhibits their ability to access education and other health services, it is important to deliver clean water to their communities, giving them some free time to spend on other issues?

Amber Rudd: I wholly endorse what the hon. Lady says: clean water is indeed essential for communities and we should work with women to bring it about.

I believe that the differences I mentioned can be seen at two ends of the society—first, in small communities through women's commitment to their families; and secondly, in government through women gaining significant representation. I do not underestimate the commitment of men to their families; it is just that they often show it in a different way. Let me illustrate that with the example of the Barefoot college at Rajasthan in India.

As some colleagues may know, the Barefoot college is a non-governmental organisation founded in 1972. It is a solar-powered school that teaches illiterate women from impoverished villages to become, among other professions, solar engineers. The college takes women from the poorest villages and teaches them the necessary professional skills without requiring them to read or write. For the past five years, it has focused on women who have come over from Africa in order to take the skills back to their native countries.

The point about focusing on women is that, as this NGO's experience shows, they go home again and take their skills to their families and communities. The Barefoot college chooses to train for this particular solar energy course only women aged 35 to 60 who will want to keep the skills and the benefits in their community. I am afraid that the college describes the men as "untrainable"! The women, it says, are less likely to use the training as a

[Amber Rudd]

means to move into a city or build up skills to take away from home. A certificate is not required at the end of it. The founders deliberately focus on women to make sure that the skills go home with the trainee.

The college trains women to build, install, maintain and repair solar electrification systems for off-grid electrification. Training takes six months. Once the course is completed, the equipment, along with the women who built it, is sent back to the villages where it is used to electrify the houses and schools. After five years of solar training since 2006, 97 villages in Africa have been electrified by their own trained women—a fantastic result. This initiative provides women with employment, confidence and purpose and it deliberately focuses on women as the natural supporters of their families.

Tony Baldry: I do not know about untrainable men, but my hon. Friend is making a really important point—that countries that fail to invest in the education of girls and women are denying themselves 50%, or half, of their own natural resource. It seems to me crazy that countries such as Afghanistan are not willing to invest more in women's education. It is just self-defeating for the country as a nation.

Amber Rudd: I thank my hon. Friend for that contribution and I thoroughly agree with him. A similar point was made by our colleague, the hon. Member for East Dunbartonshire (Jo Swinson), who argued that this is not a trivial issue to be put at the bottom of the list, but one that should be at the top for the benefit of the whole of society, for the economy and, above all perhaps, for peace.

Trained, empowered women—illiterate or not—are more likely to have the confidence to raise their voices, and getting more women to participate in government is essential. Women such as those I have described at the Barefoot college will have the confidence to make an important contribution and perhaps get into local politics and eventually, we hope, national politics. There are many routes to getting more women involved in the business of government—education, mentoring, and, yes, even quotas—but it is essential to remove the barriers that stop their involvement.

Women may have some different priorities, views and interests from men. As we know, women are more than half the population and they need to be represented in Governments internationally. I welcome the UN Women initiative to promote that. It is essential to achieve it not just for equality as a human rights issue, but to get the best outcomes for everyone and particularly for women. In some countries, if women are not included in the conversation, they can be ignored or worse. As one east African woman politician succinctly put it to me: "We worked out early on that if you're not at the table, you're on the menu."

1.37 pm

Fiona Mactaggart (Slough) (Lab): I beg to move, at end add

> 'and that in order to promote equality of women, democratic governments should ensure they have effective mechanisms for parliaments to scrutinise policy and performance in tackling inequality and injustice; and to that end calls for a women and equalities audit committee in this House.'.

I want to thank Members of all parties who have at some point signified support for my amendment. Its aim is to ensure that we in the UK have effective scrutiny of the Government on issues that affect women and other groups protected under the Equality Act 2010.

I was privileged recently to attend the United Nations for the 55th session of the Commission on the Status of Women, and I listened directly to Madame Bachelet setting out her priorities for UN Women. The first was the representation of women, expanding women's voice, their leadership and participation. I believe that this amendment goes directly to that issue.

The second priority was tackling violence against women. Let me say that at a time when, according to the UN, more than 1,000 women a month are being raped in the Congo, I am deeply shocked that my Government have proposed amendments to the draft Council of Europe convention on preventing and combating violence against women and domestic violence, which would mean that it would not take effect in circumstances of armed conflict. I hope that Ministers listening to this debate will think again about that.

The third of Madame Bachelet's priorities is peace building, and I would like to echo the remarks of my right hon. Friend the Member for Lewisham, Deptford (Joan Ruddock) about the important role women can play in building peace. The fourth is enhancing women's contribution to the economy. The fifth is that gender equality should be central to all planning and budgets. As Madame Bachelet put it:

> "Having been a minister and a president, I know that heads of state and heads of government have so many different challenges… Usually women's issues are not relevant for them…they think that…other ministries…are…dealing with women. But that doesn't happen. It has to be mainstreamed, pushed in a very specific way. We need to work on showing more clearly—with stronger arguments—how important women are as an economic actor, as a political actor, as a social actor, so that presidents and prime ministers can see how they cannot lose the important contribution that women are in the community."

We know that we have not achieved that here. Frankly, if we had, we would not have endured a situation in which in recent tax and benefit changes men lost £4.20 a week, whereas women, who are paid less and have less wealth, lost £8.80 a week.

I propose having an audit committee so that we can look specifically at every Department—not just those whose Ministers have a particular responsibility for women's issues—and ensure that progress is made. We know that, for example, the Home Affairs Committee already does a good job in dealing with issues of inequality relating to race in home affairs, but we need an organisation that can get down to auditing, and we have a model in the Environmental Audit Committee. I spoke to the Chair of the Committee, who recalled a 2006 report that it produced on DFID's programmes and climate change. At that time it had no way of assessing the impact of those programmes on climate change, but now it has a proper mechanism, and I believe that we could achieve the same in relation to the gender impact of Government policies.

A research report on the Environmental Audit Committee, produced by Turnpenny, Russel and Rayner, states:

> "We find that some of EAC's recommendations, particularly in relation to making the prospective environmental impacts of the Budget more explicit, have been incrementally absorbed into government thinking and processes. In some cases, the Committee has been highly effective in drawing together evidence to criticise powerfully the government's performance…A cross-cutting perspective can provide a distinctive take on problems, or help challenge established 'world views' of departmental… Committees."

The EAC provides a powerful model, and we know that many other countries have similar parliamentary committees. Of the 27 European Union states, 10 have specific committees, and other countries such as Australia, Canada, Russia and India have them as well. They represent an important part of Parliament's role in holding Government to account.

Madame Bachelet's priorities must be implemented through elected women as well as women in civil society. I believe that as elected representatives we have a particular responsibility to make our Government accountable in this regard. I have a feeling that we may have taken our eye off the ball a little during the Speaker's Conference on equal representation. It worked like a Select Committee and produced an effective and unanimous report, but we were concentrating on women's representation in this place rather than the way in which Government policies affected women's lives beyond it.

Claire Perry (Devizes) (Con): I should be interested to know whether the hon. Lady proposed the establishment of such a committee during the last Government's time in office and, if so, what response she received. I think that many of the points that she is making are extremely sensible.

Fiona Mactaggart: The hon. Lady is right to ask why I did not do that. I think that the Speaker's Conference took up energy that could properly have been directed towards a broader equality impact assessment. I was proud to be a member of the Conference—which, as I have said, worked rather like a Select Committee—but its focus was relatively narrow, and it was not able to give wider consideration to the impact of Government policies on women's lives.

The committee that I propose could serve as a useful tool for all of us. I know that achieving our aim will be difficult—for instance, Select Committees have limited budgets and we may need to start small—but I believe that the committee could prevent some of the mistakes that Departments currently make because they do not think fully about the impact of all their policies on, for example, women.

I referred earlier to rape in the Democratic Republic of the Congo. I was privileged to hear Eve Ensler, author of "The Vagina Monologues", talk about her work in the DRC helping women who had been victims of rape. She said:

> "I think of Beatrice, shot in her vagina, who now has tubes instead of organs. Honorata, raped by gangs as she was tied upside down to a wheel. Noella, who is in my heart—an 8-year-old girl who was held for 2 weeks as groups of grown men raped her over and over. Now she has a fistula, causing her to urinate and defecate on herself. Now she lives in humiliation."

I do not believe that the Foreign Affairs Committee or the Defence Committee discuss matters of that kind—they have plenty of important things to think about—but an audit committee of women might be able to persuade them to do so. I know that many Members find such issues hard to talk about in Parliament, and I am glad that there are now more women on both sides of the House than there used to be, because we find it easier to discuss them than men do. We know how much cruelty is involved.

As Eve Ensler pointed out, when rape was used as a weapon of war in Bosnia we intervened and stopped it, but rape is still being used as a weapon of war elsewhere. Our Government need to intervene, and UN Women needs to intervene. That is one of the reasons why it is UN Women's second highest priority. I believe that the committee I have proposed could enable every Department to ensure that the needs of women and girls are not overlooked, as they so frequently are. I am prepared to admit that they may be overlooked by accident, but that is not a sufficient excuse. We need to ensure that the needs of women and girls cannot be overlooked, even accidentally.

1.45 pm

Tony Baldry (Banbury) (Con): The United Nations special war tribunal in Sierra Leone has established that the use of rape as a weapon of war is a war crime, as is the enlisting of child soldiers. I can tell the hon. Member for Slough (Fiona Mactaggart)—who made a powerful speech—that Select Committees do discuss these issues, and that over the years the International Development Committee, among others, has pressed for a recognition of the emerging norm of responsibility to protect and to ensure that the international community bears down on those who commit war crimes and crimes against humanity. The challenge for Governments and, indeed, for the House of Commons is often how and when to intervene effectively, and I suspect that that challenge will detain the House over the coming weeks in the context of Libya. Tragically, as the hon. Member for Glasgow East (Margaret Curran) pointed out, one of the longest-living UN agencies is the agency for displaced Palestinians. We need to have regard to all these issues.

Those of us who have been privileged to make visits overseas will recall being humbled by the sight of women involving themselves in projects. Listening to the hon. Member for Poplar and Limehouse (Jim Fitzpatrick), I was reminded of a visit that I made to Bangladesh. Women had taken over the central reservation of a highway—public land—and planted mahogany trees. They would have to look after the trees for 20 years before they could harvest them, but they were confident that between them they could make the project work, and that it would give them a community asset. All of us, wherever we have been in the world, have seen projects like that, in which women have taken on the burden of looking after communities and leading initiatives at the same time. Whether the projects are agricultural or involve looking after HIV/AIDS orphans or community bakeries, women are often at the forefront.

The hon. Member for Poplar and Limehouse made all the comments that I wanted to make about UN Women and the need for the Government to support it, so I shall not repeat them. During the most recent session of International Development questions, the Secretary of State said that Ministers wanted UN Women to do for women what UNICEF has done so successfully for children, and it would be fantastic if it could indeed

[Tony Baldry]

do that. We all recognise that DFID's budget is finite, but I hope that it can find some resources for UN Women.

I echo what the hon. Gentleman said about the work of Voluntary Service Overseas. I too have had the privilege of working with VSO in Nepal, and helping Dalit women to draft amendments to the Nepalese constitution. Dalits are at the bottom of the pile and Dalit women even further down than that, but VSO enabled them to help and empower themselves, which I think is very important. This year, I am due to go to the Thailand-Burma border to help and support some women's projects there. The Voluntary Service Overseas Volpol scheme is a brilliant initiative, and I urge any Members who have not yet had the opportunity to avail themselves of the opportunity to investigate it, as we learn an enormous amount from such experiences.

Because of the general election, the Conservative Party Human Rights Commission's report of last year did not get the coverage it perhaps deserved. Although I was chair of the commission at the time, the report team was chaired by Fiona Hodgson and its members included my hon. Friends the Members for Oxford West and Abingdon (Nicola Blackwood) and for South Thanet (Laura Sandys). The full report can be found at conservativehumanrights.com. The evidence to the commission about women human rights defenders yielded numerous examples of women who were abducted, tortured, and sexually and physically abused, and whose families had been brutally attacked and threatened. There were also examples of such women being labelled as whores and witches and having been ostracised from, and stigmatised within, their families and communities because they wanted to advance human rights not just for women and children but for the community as a whole.

As Amnesty International has observed, while many human rights defenders endure risks across a spectrum of gravity, because of women human rights defenders' gender and the particular rights they defend, they confront additional risks that can carry the gravest of consequences. As my hon. Friend the Member for Epping Forest (Mrs Laing) made clear in what was an excellent opening to the debate, women make up two thirds of the world's 1 billion illiterate population, half a million women a year die from pregnancy complications, women make up 70% of the world's poor and perform 66% of the world's work, but have 10% of the world's income and own only 1% of the world's property.

The commission made 22 recommendations and I will not detain the House by going through them all, but I encourage Members and others who are interested in these issues to visit the website and take a look at them. We suggested that the Government should seek to raise public awareness of the work of human rights defenders and the specific dangers faced by women who fight for human rights, including gender-based violence, family reprisals, cultural stigmatisation, and loss of property rights. There are a number of positive and constructive recommendations, including that the Government should honour and implement the commitments made under international treaties and conventions on the protection and promotion of women's rights, including those in the universal declaration of human rights, the millennium development goals, the Beijing platform for action and the convention on the elimination of all forms of discrimination against women. We also wanted support to be given to the work of the UN special rapporteur and promoting the new UN agency for women.

1.53 pm

Kate Green (Stretford and Urmston) (Lab): I am grateful to have the opportunity to speak in this debate, and I apologise in advance for being unable to be present in the Chamber for all of it, as it coincides with a Westminster Hall debate on the Government's response to the Select Committee on Work and Pensions report into housing benefit reform. As a member of that Committee, I am also keen to spend some time in that debate.

I agree with those Members who have said how pleased they are that the Backbench Business Committee has made time for this debate this afternoon. I and other Members who were present at some of the Committee's sittings know how hard its Chair and some Committee members, including the hon. Member for Battersea (Jane Ellison), have worked to achieve that.

It is appropriate that this debate coincides not only with the centenary of international women's day, but also Fairtrade fortnight and the week of the Second Reading of the Welfare Reform Bill. Each of those individual events speaks to the issue of women's economic independence, which is what I want to address this afternoon.

As has been pointed out, women constitute a little over half the world's population, but we are still the poorer by far. As the hon. Member for Banbury (Tony Baldry) has just pointed out, 70% of the world's poor citizens are women. Here in the UK, too, women face a greater risk of poverty as a result of a gender pay gap that still stands at 19.9%, and which is much higher if we look only at part-time work. Men's median pay is 52% higher than women's, and only 12% of the occupants of our boardrooms are women. Therefore, when we are asked—this question was raised at the Backbench Business Committee—why a specific debate on women's issues is necessary, I say that the numbers speak for themselves.

This problem is not inevitable; it is not just the way things are. It is not a reflection of innate gender differences; it is a problem of societal structures, and it requires structural solutions. It matters too: it matters not only for women's own economic independence, but also because when women prosper economically so too do children. When women have money, they spend it on their kids. Because that spending benefits the wider economy and the community, it promotes general economic and social justice.

It is especially appropriate that international women's day and Fairtrade fortnight should coincide with the date of our discussion, because the changing economic structures of international trade could serve to offer a model of how economic justice can work for women and, by promoting the position of women, can work on a broader frame. Fairtrade products that empower women economically are important for the environment and for the communities and economies in which they are established, and are an important route both for economic growth and social justice.

Mr MacShane: I am following my hon. Friend's argument closely. This is not just about fair trade. Some 30 years ago, I was working in Malaysia and visited the factories of multinationals including Bosch and Motorola, all of which were full of women making products such as car radios. Actually, those women were being liberated from the patriarchal oppression of village peasant existence, but many of the liberal and left community around the world say, "Oh no, they're being exploited." Does my hon. Friend agree with Joan Robinson of the London School of Economics, who said there's only one thing worse for a woman than being exploited by a multinational, and that is not being exploited by a multinational?

Kate Green: I am sure my right hon. Friend would not wish to suggest that there is a continuum of exploitation and a point on that continuum at which women—or, indeed, men—ought to be satisfied to find themselves located. He raises an important issue about the relative roles women perform in paid work and the domestic sphere.

The economic justice questions that we are discussing are not just challenges for developing economies; they are a challenge for us here in the UK too. As we know, here in the UK women struggle to balance caring responsibilities with paid employment. The majority of child care is still undertaken by women, and although many men fulfil caring roles, it is women who are most likely to drop out of paid employment when they start to have caring responsibilities. Many male carers perform their caring responsibility alongside paid work however, and as a result do not suffer the same degree of economic disadvantage.

In recent years, the debate about the appropriate balance and recognition we should give to paid work, domestic responsibilities and caring responsibilities has become distorted, and we need to revisit that. That is not in order to trap women back in the domestic sphere, but to open up a debate about the value we should give to the caring role, and to make sure our societal structures properly recognise that role and offer both women and men a genuine choice about participating in paid work and wanting, and needing, to take time to fulfil domestic responsibilities. That is not an argument that, when I was as a young feminist in the 1980s, I would have believed I would have heard myself making. However, as I have watched that choice for women squeezed out by successive male-led Governments of both the left and the right, I have to say that a gender issue is a choice issue, and choice and economic independence go hand in hand.

Nicola Blackwood (Oxford West and Abingdon) (Con): Does the hon. Lady agree that carers play a central and vital role in our society and that without their playing that role our social care system in this country would entirely collapse?

Kate Green: I certainly do and, together with the hon. Member for South Thanet (Laura Sandys), I am very proud to be a parliamentary ambassador for carers week this year. I hope that we will have the opportunity to highlight exactly the sort of contribution that carers make and to which the hon. Member for Oxford West and Abingdon (Nicola Blackwood) refers.

I wish to take a moment to talk specifically about the position of lone parents, which was the subject of hot political debate 10 or 15 years ago. It has rather dropped off the political radar but, regrettably, that is not because their battle is entirely won. It is still the case that more than 90% of lone parents are women—lone mothers—but it is very important to recognise that very few women have set out to bring up their children alone. None the less, one in four children in this country will spend some time in a lone parent family, and those children and families face an exceptionally high risk of poverty. Of course it is right that we should do all we can to sustain sustainable relationships, but it is not the mark of a civilised society that we allow those who are growing up in households where relationships have ended to find that they do so in poverty.

Mrs Laing: May I thank the hon. Lady for her support in obtaining this debate with the Backbench Business Committee and say that she was most eloquent? Would she like to emphasise the need to break the myth that women who are bringing up children alone have been teenage mothers—the vast majority of these women are not? As she said, they do not choose to be in that position and, of course, all women and men in that position deserve our support.

Kate Green: The hon. Lady is absolutely right, because the average age of lone mothers is now 35 and just 3% of them are teenagers. There is a very wide gap between myth and reality, as she rightly said.

In conclusion, we need and must have a debate now on the way in which we secure and sustain the economic independence of women throughout their life course, whatever their family circumstances. That is why I am particularly pleased to support the amendment tabled by my hon. Friend the Member for Slough (Fiona Mactaggart). Women's lives have changed dramatically, even in my lifetime. However, despite the progress that women such as me—well-educated, professional women in well-paid employment—have enjoyed over the past five decades, it is still women who bear the brunt of poverty in this country. Inequality on pay and, importantly, on pension protection reflects the fact that there is still too much segregated employment, and that we still have a social security system that fails to provide adequate support and an education system that still too often squeezes down girls' aspirations. This is still the fifth largest economy in the world, and we cannot tolerate a situation in which women continue to live in poverty. It is unnecessary, wasteful and unjust. It is a scandal and we need to ensure that every one of our economic and social policies thinks women and thinks how it can address that injustice. So in this UK Parliament, which is aptly, if sometimes incorrectly, characterised as the "mother of Parliaments", I say that we must establish the scrutiny body that the amendment proposes. In the week that marks the centenary of international women's day, I hope that parliamentarians in this House will commit themselves to doing just that.

2.4 pm

Nicola Blackwood (Oxford West and Abingdon) (Con): It is a pleasure to contribute to today's debate and to follow Members who have covered so many important gender equality issues. My hon. Friend the Member for Maidstone and The Weald (Mrs Grant) in particular spoke powerfully on the issue of domestic abuse.

[Nicola Blackwood]

I wish to focus on issues affecting women in conflict zones. As chair of the all-party group on women, peace and security, I, like the hon. Member for Slough (Fiona Mactaggart), visited New York in February. I did so not only to celebrate the launch of UN Women, but to try to understand the impact that the new agency will have on women, peace and security policy and to find out where it will fit in the now bewildering architecture of the UN.

Major-General Cammaert, the former UN peacekeeping commander in the Democratic Republic of the Congo said the following in 2008:

> "It is now more dangerous to be a woman than to be a soldier in modern conflict."

That reflects the exponential growth of conflicts that target civilians, especially women and girls, as a means of intimidation and ethnic cleansing. Last year, 14,591 new cases of sexual violence were reported in the DRC, many of which were described so eloquently by the hon. Lady. The abuses that these women are subjected to are among the most horrific ever imagined. As if the international community's failure to protect them is not bad enough, these women are then routinely denied justice or any engagement in the peace and reconciliation negotiations that follow.

As most hearing this debate will know, Security Council resolution 1325 finally recognised, in 2000, that sexual and gender-based violence in conflict, and women's participation in peacebuilding, were the responsibility of the UN Security Council and a security priority. Since then, there has been no shortage of supportive language reaffirming the Security Council's commitment to the cause. Governments and civil society alike have welcomed this progress, but beneath the rhetorical gloss, cracks in the masonry of international commitment are easy to find.

Although the UK has a good record in this area—it is considered the unofficial Security Council lead on resolution 1325—there are those, both here in the UK, as well as in the international community, who disagree that resolution 1325 is a security issue at all. Others accept that sexual violence should be addressed as a security issue alongside other protection of civilian issues, but believe that women's participation in peacebuilding is a development issue which can be left until after the peace has been made.

The impact of that inconsistency can be seen in the recent emphasis that has been put on tackling sexual violence as a 1325 priority. Security Council resolutions 1820, 1888 and 1960, and the appointment of the Secretary-General's special representative, Margot Wallstrom, all represent significant and vital progress on tackling sexual violence, but they also show that in the current geopolitical climate it is easier to get action on the protection of women than on participation of women. The impact on the ground is clear. The DRC has seen the groundbreaking conviction by a mobile court of the senior commander, Lieutenant Colonel Kibibi, and eight other soldiers for their role in a mass rape in the eastern DRC. That is a huge step in ending the impunity of perpetrators of sexual violence, but the DRC is still one of 31 current armed conflicts arising from failed peace processes and not a single one of those peace processes included women at the negotiations. Despite all the vocal support for resolution 1325, there has so far been negligible improvement in women's participation in peacebuilding.

Fiona Mactaggart: The hon. Lady is making a powerful and important case. Does she share my anxiety that if what is happening in Afghanistan at the moment leads to a non-military next stage, unless women are really involved, negotiations with the Taliban could mean that the country reverts to some of the horrors that we have seen there before?

Nicola Blackwood: I thank the hon. Lady for her intervention and I share her deep concern that women's rights in Afghanistan may be seen as a cost that can be taken on board in order to achieve peace. I also share her belief that such peace would be unsustainable and would lead to a descent back into conflict.

Everything I have been describing means that the fact that the new head of UN Women, Michelle Bachelet, has named women, peace and security as one of her focus areas is highly significant. UNIFEM never had the status or the budget to keep the issue effectively on the UN agenda. The role that Michelle Bachelet manages to carve out for UN Women will, therefore, make or break the future of women's participation in peacebuilding. The challenges she faces are manifold: she has to attract sufficient funding; she must navigate her way through the impenetrable UN bureaucracy; she must negotiate the web of inter-agency allegiances and territorial claims; and, perhaps most importantly, she must prove herself, through sheer force of personality, as a leader to be reckoned with in the constellation of UN actors.

Mr MacShane: Is the hon. Lady aware that, according to a parliamentary answer I received this morning, we will give more than £1 billion to India in the next four years under our development aid heading, despite India having more millionaires and billionaires than we have? I am not against India in any way, but it is rather odd that our allocation of money for international work has so far excluded any UK funding for the very agency that the hon. Lady is so rightly praising.

Nicola Blackwood: I thank the right hon. Gentleman for his intervention, and I shall move on to funding issues soon.

If Under-Secretary-General Bachelet and UN Women cannot achieve the formation of the role that is needed for the organisation, and cannot do so quickly, they will have no hope of beginning to challenge the entrenched gender inequalities that are so prevalent in conflict and post-conflict scenarios. Women's participation in countries that are now hanging in the balance, such as Afghanistan, Egypt, Libya and Tunisia—to name an obvious few—will fall back off the agenda at the Security Council and elsewhere. UN Women will have proved to be a useful panacea—a rhetorical device that represents the form of action without the power or the outcomes. On the other hand, if UN Women achieves the formation of that role—there is every hope that it will do so—that might prove to be a turning point and a crucial advance in the argument that peacebuilding and conflict-prevention policies that do not involve women at all levels are fatally weakened and undermine the progress on global stability objectives.

As a historical leader on women, peace and security issues on the international stage, the UK is of course pivotal in whether UN Women sinks or swims. I am glad to see that the coalition Government have signalled in action as well as words their continuing commitment to the resolution 1325 agenda. Central to that commitment are the appointment of the Minister for Equalities as a 1325 champion and the Government's national action plan to implement 1325, published in November. That plan is a significantly more sophisticated document than its predecessor and includes a robust monitoring mechanism that includes a formal process for reporting to Parliament. That is welcome. I look forward to playing my part in the all-party group in holding the Government to account on their delivery of that plan and its adaptation to developing international situations.

The UK has further opportunities to offer the international leadership necessary to ensure that UN Women lives up to its potential. I shall mention just two. First, the Government's building stability overseas strategy is being formulated by the FCO and DFID and is intended to set out the Government's plans for addressing overseas conflict in the future. Given events in Libya, I would say that it is becoming ever more urgent that women, peace and security perspectives should be embedded in that plan, not as an afterthought or box-ticking exercise but as an integral part of the Government's approach to conflict prevention and resolution.

Secondly, in order for UN Women to achieve its stated aims, which dovetail perfectly with UK foreign and international development policy, it needs UK funding. It is reasonable to wait for the strategic results plan in June before committing a specific amount, but I would like to make a couple of general points on that. My right hon. Friend the Minister of State, Department for International Development, has said that DFID requires

> "a strategic plan that sets out a clear results framework outlining targets and expected impact."—[*Official Report*, 3 March 2011; Vol. 524, c. 596W.]

Will the Minister tell me whether DFID is working with the team that is developing the strategic results plan at UN Women to ensure that it is aware of DFID's priorities and the criteria for funding?

The amount needs to be appropriate to UN Women's remit. The United Nations Development Programme's 2010 budget was $5 billion; UNICEF's was $3 billion. To play in that ballpark, UN Women needs a budget of at least $1 billion. This is not just about status, although that does matter in setting UN-wide priorities; it is about capacity. DFID's review of multilateral aid, published last week, stated explicitly that UNIFEM had failed adequately to address gender inequality issues specifically due to "constrained resources". If UN Women is to have the impact necessary to challenge entrenched gender abuses and inequalities, it needs a reach similar to that of UNICEF.

The UN has set a minimum funding target of $500 million for UN Women, but so far only $55 million has been pledged. The UK has the opportunity to lead the way in funding UN Women. Given the exact correlation between the coalition Government's stated foreign and international development policy goals and the strategy set out so far by Under-Secretary-General Bachelet, that seems to me like a win-win situation.

In the words of the Nigerian permanent representative to the UN and president of the UN Women executive board,

> "no one can run fast on one foot."

A security agenda that thinks it can do without women's participation has been a limping beast. Let us hope that UN Women can start being part of the remedy. Let us hope that we can begin to meet our commitments on protection and participation of women in conflict. Let us agree once and for all that these women are far from simply passive victims. They are in fact powerful agents of change and no less than the missing link in our peacekeeping policy.

2.15 pm

Mr Denis MacShane (Rotherham) (Lab): Three or four years ago, I was at a NATO parliamentary conference where they had the usual list of speakers. The Foreign Minister from Georgia made a Government speech that was fairly moderate and not very exciting or controversial. The next speaker was the leader of the Russian delegation, who said, "In my country, we have a saying that there are two things you cannot have a discussion or a debate with: a woman and a radio set." That kind of approach might still be prevalent. In this debate, if I may say so—this is in no way meant to be patronising—the quality of the speeches from all the new Members who were elected in May and who sit on both sides of the House has been absolutely outstanding. I hope that those speeches are career-enhancing interventions, urging former bosses to spend a little more on UN Women's work. I wish well all the hon. Members who have spoken.

I want to comment briefly on one issue of women's rights: the question of trafficking. We have focused a lot on what the UN should do and what we might do in Afghanistan and the Congo, and I support all that, but supporting women can also begin at home. There is a major trafficking problem in this country, as there is internationally.

The figures are difficult to get hold of at times. I got into terrible trouble a year or so ago, because in a debate during the last Session I quoted the *Daily Mirror*, which in turn was quoting a Home Office research study, saying that up to 25,000 women had been trafficked into the UK. That was pounced on by those great defenders of women's rights, the BBC's "Newsnight" programme and *The Guardian*. Articles were run and there were debate sessions on "Newsnight" in which Jeremy Paxman attacked me as if I were some wretched Government Minister, and it was said that all those figures were invented and that there was no problem with trafficked women. A lady from the English Collective of Prostitutes said that all prostituted women were happily working without any obligation. That kind of blind refusal by the liberal left of our community is matched by the fact that too many of our officials—it was as bad under the previous Government as it is under the coalition Government—refuse to accept the need for effective policing and intervention on the issue of trafficking.

Sheila Gilmore (Edinburgh East) (Lab): In the light of some of the earlier discussion about domestic violence, does my right hon. Friend agree about the importance of using law and enforcement in trafficking, as we have done in domestic violence? That provides clarity about

[Sheila Gilmore]

what is right and wrong. When I was first involved in work on domestic violence, I found that people did not treat it as a crime, so there were not many prosecutions.

Mr MacShane: I entirely agree. There was a very good three-part series on trafficking on Channel 4 last autumn, narrated by Helen Mirren. It was interesting to see that not a single male using the services of trafficked sex slaves was held, questioned or even put in front of some minor magistrate's court by the police. As was the case with domestic violence, we need the moral exemplary publicity provided by convictions or court cases. Until men have to face their responsibilities for the use of trafficked women, we will not make real progress.

Naomi Long: I take heed of the right hon. Gentleman's warning about statistics, but the Home Office currently estimates that about 4,000 women have been trafficked into the UK and the sex industry. We have talked about wanting the Government to sign up to the EU directive on human trafficking and I add my voice to that call. Does he agree that it would help if the Government, when dealing with the sexual enslavement of women, were willing to tackle demand by criminalising the purchase of sexual services, which would protect trafficked women and others?

Mr MacShane: I agree with the hon. Lady. That figure of 4,000 was produced by one report last autumn and has been fairly comprehensively rubbished by many experts in the field. We do not know the figures. Our former colleague, Anthony Steen, the chairman of the Human Trafficking Centre, has said that he has spoken to senior police officers who know of 2,300 brothels in London. He said:

> "They reckoned that 80 per cent of those working there were from abroad, and they estimated that 4,000 were trafficked. And that was just in London. My view is that the national figure is probably in excess of 10,000."

After a long campaign for which I pay tribute to a collection of women Ministers, including the then Home Secretary and Attorney-General, some of whom are still with us and some of whom are now outside the House, the previous Government made a small amendment to criminal legislation saying that it is a crime to pay for sex with a woman who has been trafficked or coerced. To my knowledge, however, there has not been a single prosecution for that crime so far. We have been able to curtail kerb crawling by taking photographs of kerb crawlers' cars, publishing their registration numbers and in some cases putting them in front of magistrates. That is the only language that abusers of sex slave trafficked women understand.

Some of our newspapers have adverts in the back for massage parlours and brothels.

Mrs Grant *rose—*

Mr MacShane: I was not going to take another intervention because of this funny rule we have, but the hon. Lady made such a wonderful speech, so how could I refuse?

Mrs Grant: I thank the right hon. Gentleman and will keep my intervention short. Will he say a little more about the fact that many of those who are trafficked are very young children and that young women leaving the care system are also involved—not just immigrants?

Mr MacShane: Had I more time, I would love to go into those issues. The official body in charge of these issues has noted that a large number of Asian girls and, sadly, a surge of Vietnamese girls are being trafficked into the UK, and that several dozen leave and disappear from care, particularly local authority care. That is one of the themes that I shall be pursuing in my parliamentary work this Session.

I earnestly appeal to Ministers—we have two outstanding Ministers on the Front Bench, who really care about this issue—to send us some hope and allow a little ray of sunshine to penetrate the gloomy clouds of South Yorkshire, whence I must return shortly, and to shine upon the Liberal Democrats' conference in Sheffield, so that their leader can rise to his feet and say from the platform tomorrow, "I may be known locally as the Sheffield fraudmaster, but I persuaded the Prime Minister to change our policy on the EU trafficking directive and I can announce that Britain will be signing it." Then some of us might be prepared to forgive the Liberal Democrats for many of their current sins.

I should like to quote the Archbishop of York. In a powerful intervention late last year, he said:

> "Sex trafficking is nothing more than modern-day slavery. This is women being exploited, degraded and subjected to horrific risks solely for the gratification and economic greed of others. I am therefore stunned to learn that the Government are opting out of an EU directive designed to tackle sex trafficking."

I get down on my knees to the Archbishop of York.

In considering the treatment of women around the world, there is a big problem with whether we are prepared to be brave enough to say that some of the classic religions of the world and their political expressions are deeply inimical to women's rights. I shall put it no more strongly than that, but I refer to practices such as forced marriage and the fact that we have just had a terrible riot in Egypt in which a Christian Coptic church was burned down. Why? It was because a Christian boy fell in love with a Muslim girl, whose parents felt that her honour had been abused and so they had the right to go and kill someone. Then they were killed and the reaction was to burn down a church that had been there for hundreds of years and insist that a mosque be built in its place. Unless we say, within our communities to our Muslim friends in Britain, that we have to consider the role of religion today in oppressing women, we will not make much progress.

Finally, I want us to look again at the degradation of women, their commodification into sex objects and the fact that men and young boys now think it quite normal to fly to Baltic states or to east Europe for a weekend of going from one sex parlour to another. The situation has changed utterly and this kind of new approach from young men has arrived in recent years. There is a notion that legalising prostitution would somehow make things better, but where that exists in Nevada, university students say that one cannot rape a prostitute. These are difficult areas that go to the heart of masculine and male concepts of women and their rights. Unless we are prepared to tackle those concepts—and I strongly welcome the tone of the contributions to the debate—I fear that in three or four years' time we will not have made the progress that the House wishes to make.

2.26 pm

Rehman Chishti (Gillingham and Rainham) (Con): It is always a real pleasure to follow the right hon. Member for Rotherham (Mr MacShane), and that is particularly true following the vital points he made about human trafficking. It is a huge privilege to speak in this debate, on this historic day, on this key issue about equality and empowering women. On such an historic day, we need to look at what more has to be done to put women on a par with men in equality terms. Equally, we need to mark today as a celebration of great things that great women have achieved around the world.

I am fortunate and privileged to have worked, before entering Parliament, as a special adviser to such a great international stateswomen as Benazir Bhutto, the twice former Prime Minister of Pakistan, who led with conviction in empowering people and who paid the ultimate price in her fight for democracy and empowering women and citizens in her society. She became the first woman to be elected the Head of an Islamic State in 1988. As Prime Minister, she became a role model for women around the developing world in male-dominated societies. They saw that they too could be future leaders of their country. She had 86,000 primary and secondary schools built in her term because she saw education as a means of empowering citizens in her country, particularly women. Under her government, 100,000 female health workers fanned out across the country, bringing health care, nutrition and pre and post-natal care to millions of the poorest citizens. Under her Government, women were given the basic right to participate in international sports, women's police departments were established to help women who suffered from domestic violence and women's banks were established to give micro-loans to women to start small businesses.

Today, we pay tribute to women such as Benazir Bhutto who are great role models for women around the world, and Aung San Suu Kyi, another of the courageous women who fight for democracy. In Brazil, it is great to see another female leader, Dilma Rousseff, as president of her state. However, much more needs to be done to ensure that there are more women in the Parliaments of developing countries.

In Burma, women make up only 4% of the membership of its lower House. In the Democratic Republic of the Congo, only 8% of MPs are women. The figure is the same for Ghana. In Kenya, the figure is 9%; it is 7% in Nigeria, 6% in Somalia and in Yemen it is 0.3%. That is completely unacceptable. On that basis, I welcome DFID's commitment to link international aid to programmes that empower women.

Claire Perry: My hon. Friend described how a female president of Pakistan made such a difference for women locally. Given that example, does he agree that for countries that are not fortunate enough to have women representatives in their political system, the formation of organisations such as UN Women will ensure that women's issues are not forgotten on the political stage?

Rehman Chishti: My hon. Friend makes a vital point. In 2008, Benazir Bhutto was one of the seven women awarded the UN human rights prize, and as my hon. Friend says, we need to highlight such things.

Nearly all the countries in the world have signed up to the UN international convention on civil and political rights, but the key issue is implementation. We must ensure that women have the rights enshrined in such conventions.

Nicola Blackwood: Does my hon. Friend agree that one of the crucial reforms to ensure that women achieve those rights is reform of the security and justice sector? If that does not happen, women will never have the opportunity in some countries to enforce their rights.

Rehman Chishti: My hon. Friend makes an absolutely vital point. We must ensure that there is security and justice. Those elements are enshrined in agreements such as the universal declaration of human rights and the UN conventions on civil and political rights; the problem is that they are not implemented. It is great that countries sign up to conventions, but unless we put them into practice, nothing will change. It is important that they are implemented.

With more women in boardrooms, greater equality in legislative rights, and an increased critical mass through women's visibility as impressive role models in every aspect of life, one might think that women had gained true equality. The unfortunate fact is that women are still not paid equally compared with their male counterparts. Women are still not present in equal numbers in business or politics. Globally, women's education and health are worse than that of men, and there is greater violence against them.

I very much welcome the fact that international women's day has been marked as an official holiday in 27 countries, such as Afghanistan, China, Moldova, Mongolia and Cuba. I hope in due course that we can move to that position as well.

Caroline Dinenage (Gosport) (Con): My hon. Friend mentioned women's education. Does he agree that it is the key to everything we are discussing? Unless women are educated, they will never become political leaders, surgeons or lawyers and be all that we want them to be. It pains me to think that there could be women who have the potential to cure diseases or to solve world problems, yet that will not happen because those women will never be educated.

Rehman Chishti: I thank my hon. Friend for that point. She is right. If we want to empower people, we have to give them skills, and the basic skill is education. That is why under DFID's commitment to developing countries, a large part of the money is going to education. My hon. Friend is right; without education, people cannot be master of their own destiny.

Gender equality is not simply a basic human right; its achievement has enormous socio-economic ramifications. Empowering women fuels thriving economies, spurring productivity and growth.

I conclude with a quote from Martin Luther King:

> "The time is always right to do the right thing."

It is always the right time to fight for women's rights and equality.

2.33 pm

Sheila Gilmore (Edinburgh East) (Lab): As one of those who made the pitch to the Backbench Business Committee for this debate, I am grateful to the Committee for agreeing to hold it in the Chamber. The fact that there was some resistance to the proposal reminds us that we have to be ever-vigilant and ever alert in fighting for women's equality. We should not take things for granted. We have won a great deal. Compared with our grandmothers and great-grandmothers, our lives have been transformed. Nevertheless, we need to be careful; we should not sit back and assume that everything will carry on smoothly.

The hon. Member for Epping Forest (Mrs Laing) spoke of the need to encourage women to take up representative roles. It is not always enough simply to set up mechanisms.

Mr MacShane: Is my hon. Friend aware that two weeks ago my hon. Friend the Member for Bethnal Green and Bow (Rushanara Ali) spoke at the Newcastle university international development conference, where the majority of participants were women? There were fabulous workshops on how we can help women overseas and I am glad to report that all the members of the organising committee were women—I must confess an interest; one of them was my daughter.

Sheila Gilmore: I thank my right hon. Friend for his intervention. Women have obviously proved that they can organise things and be very effective.

The party organisation in my city recently held a training event for people it wanted to encourage to stand as council candidates. Those who came, both men and women, were given information on what being a councillor involves. At the end of the meeting, a number of women came up to the organiser and said how daunted they were and that they doubted whether they would be able to do the job, but virtually all the men went away thinking that they could do the job easily.

Claire Perry: It is like DIY.

Sheila Gilmore: How true.

Those responses demonstrate that even after all we have won, there is still a need to put in the extra effort to encourage women, give them confidence and bring them forward. It is important that we make every effort to work across the Chamber on many of these issues, and I am heartened by much of what I have heard in the debate. Like the hon. Member for Maidstone and The Weald (Mrs Grant), who made a powerful contribution, much of my early work before being elected to this House related to family law, so I know the difficulties women face.

It is sometimes easier to reach out across the House when talking about things that are not happening in this country, because it is perhaps easier to agree on what needs to happen in places abroad. It is slightly harder when talking about matters closer to home, but what I want to say relates to the UK. That is not intended to detract from the powerful speeches that have been made on the position of women in the developing world and the important work that needs to be done. In fact, it has been very humbling to hear some of the stories that Members have told, which we must always remember, but just because we are privileged as women to live in these times, as has been said, that does not mean that we should not fight for further improvements.

I want to speak to the amendment and about why I think it is important to have a committee that can look across the piece and see how things join up. The example I will give is that of the recent changes that have been proposed, are about to be made or have been made that affect the position of women who are separating or divorcing. When looked at departmentally, those changes might seem quite small, but when joined up, they are quite significant. That can be a traumatic time for both men and women, but women, who are often financially weaker in that position, are most affected. All the research still shows that after separation women end up poorer. Slightly oddly, many men end up either no poorer, or richer.

What has been happening that will change women's experience? One change is the proposed loss of eligibility for legal aid, which in my view will affect women's ability to get a fair financial settlement. The law can enhance and protect women's rights, but if it is not there to fight for them, it might not be able to do so. The second change relates to the Welfare Reform Bill. The time that I had to speak on the Bill was reduced to two minutes yesterday, so I did not have the chance to discuss its child maintenance proposals, but they are linked to what I want to say now. More emphasis is to be placed on people reaching their own solutions, but putting up obstacles and charging will make it more difficult for women to try to enforce maintenance.

Claire Perry: I am sure that the hon. Lady has much more experience of these matters than I do, but does she not agree that one key problem, which we see in our surgeries and postbags, is the absolute failure of the Child Support Agency to deliver a fair and equitable solution for both men and women? The welfare reforms could help to make a difference and ensure that women who, as she rightly says are often disadvantaged by separation, get their fair share.

Sheila Gilmore: I am certainly not going to suggest that the CSA, in its long history, has been so wonderful. Indeed, the initial legislation for it was an example of not taking account of the views and opinions of people who know about an issue.

In my experience, it was always hard to enforce maintenance. We could get orders and agreements as solicitors, but enforcement was extremely difficult, especially in respect of those who were quite willing to swap jobs and to evade payment. The self-employed were always particularly difficult to reach, but we could have told the then Government about that. If the views of the experts had been better integrated, we might have had better legislation and better enforcement, and I do not see how putting obstacles in the way of people exercising such powers is going to be helpful.

When there is a power differential between people, many women are wary—even as it is—of pursuing claims in case that rebounds upon them or their children. We can and will, I hope, debate those proposals further. My aim is not necessarily to win support for that point of view at this time, but to say that, when we link up what is happening on legal aid and on child maintenance, we see that there is a cumulative effect, and it is important to look at that across the piece.

There will also be a more limited choice of housing for women who are separated. Those who deal with housing and homelessness know that one of the biggest reasons why people present as homeless is that their relationship has broken down: two into one house does not go. It does not just happen to women, but women are often given priority for re-housing in the homelessness system because they have to care for children, and the suggested changes in homelessness provision will make it more difficult for women and their children to obtain settled and secure accommodation. It is not right to suggest that short-term private lets are the solution to homelessness. People may want to choose that solution, but it should not be forced upon them.

There are pending changes, which we do not know the details of, to mortgage interest payments for people who currently claim income support and will in future claim the new universal credit. When I worked as a solicitor, I could sometimes obtain for women an ability to stay in the former matrimonial home if we were able to secure an arrangement whereby the mortgage was paid, particularly in the transitional period. They hoped to get employment and to be self-supporting, but at that point they were not, and mortgage interest payments were often an important part of the package, so we need to know what is happening with them. Changes to tax credits will make it more difficult for women after separation and divorce to work, as will changes to how child care is funded.

If we have all those measures, and cumulatively they have an effect that each one might not seem to have in itself, it is important that we audit them. Therefore, I urge people to support the amendment and to put just such an audit committee in place.

2.44 pm

Jane Ellison (Battersea) (Con): I very much welcome the fact that we are having this debate. I congratulate my hon. Friend the Member for Epping Forest (Mrs Laing) and others on their tenacity in pressing the case for it with the Backbench Business Committee.

I should like to focus my remarks on one specific aspect of the violence and injustice done to women in our world—I am afraid that it is not a comfortable one for the House—which is the terrible practice of female genital mutilation. This is a practice that the United Nations has stated it wishes to end within a generation. I am sure that UN Women will be taking the lead on this work, but it is a mighty task that Ms Bachelet and her team will take on. The World Health Organisation estimates that between 100 million and 140 million girls and women worldwide have been subjected to such mutilation. The practice is most prevalent in western, eastern and north-eastern regions of Africa, some countries in Asia and the middle east. The cutting is often practised on girls as young as 12 or 13, often precipitating their dropping out of school and not carrying on with their education. Education, as we have all agreed throughout this debate, is one of the essential keys to greater equality, dignity and progress for women.

I am grateful to VSO for its briefing on this issue and for drawing my attention to the Orchid Project, which is run by a former VSO volunteer, Julia Lalla-Maharajh. That organisation has a simple vision—a world free from female genital cutting. Interestingly, one of its key findings has been that, difficult though it is, trying to avoid judgment and blame when working alongside communities in the developing world has been more helpful for them in trying to effect change from the grass roots up. Whatever laws are passed against FGM in some countries, in reality they are unenforceable if it is culturally embedded locally and supported by civic and religious leaders. There is a vital need to work from the bottom up. I understand that the Department for International Development has found that this is consistently true locally.

Mrs Grant: Does my hon. Friend agree that the lack of prosecutions under the Female Genital Mutilation Act 2003 is a major and very worrying problem?

Jane Ellison: I certainly do agree, because this is happening not only in the developing world but here in our country—in this city and in my constituency.

In the developing world, trying to ensure that girls are able to take educational and economic opportunities is absolutely vital, and challenging social norms by having locally led solutions is proving more effective. One of the findings has been that more educated and less poor girls will grow up to be women who are less likely to subject their own daughters to this procedure.

My hon. Friend the Member for Maidstone and The Weald (Mrs Grant) drew our attention to the fact that this terrible practice is a problem not just in the developing world, but that it is also a problem for many countries in the developed world. Here in London, the number of reported cases of FGM has risen in recent years. These awful procedures are happening in this city, and in other UK cities as well. A clinic at a major London teaching hospital sees about 350 such women and girls a year, often with horrible complications. The Metropolitan police have intervened in more than 120 cases since 2008, but despite this practice having been illegal for many years, as we have heard, there has been not one prosecution. The police often put this down to the problems of trying to get people to give evidence in very difficult situations and not being sure that they can secure such a prosecution if they bring it to court.

While refraining from judgment may be more likely to effect change in the developing world, we cannot refrain from judgment when such mutilation is happening in our own country. We have to be clear and robust in saying that it is a crime in our country, and that no excuses can be offered. The Met have been very clear about this.

Mr MacShane: May I put it to the hon. Lady, first, that the police are sincere in these investigations, but are hampered by other priorities and other areas where they feel they have to work? Secondly, if the police, the authorities and the doctors know that this crime is happening, perhaps we need to look at the court and evidence system, which prevents any sanction or any message going out into the community, at least in Britain, to say: "You should not be doing this." I am thinking of a version for sexual crimes, including rape, of the Diplock courts that we set up in Northern Ireland. That may sound illiberal, but we really need to tackle this with convictions that can then be publicised in the newspapers, sending a signal to these communities that it has got to stop.

Jane Ellison: I thank the right hon. Gentleman for that intervention, and I think that we should consider all those things. That the number of cases is rising, not falling away to nothing, tells us that there is a growing problem, not a diminishing one. We should therefore be considering all possible solutions.

I have a good degree of confidence that the police, certainly in London, are taking this matter seriously. Senior local police officers contacted me ahead of this debate to say that if there was an opportunity to raise this issue, they would be grateful. I am convinced that it is on the agenda, although I am sad in a way that it has to be on the agenda of police working in my area and across London. It is part of their strategy to prevent violence against women and girls. The message from the police is clear to all those in positions of trust, whether they be teachers, lecturers, social workers or religious leaders: it is their duty to report these things when they find out that they are going on, and they should know that the police will take them seriously. The consequences of not reporting such abuse are terrible. If abuse against the oldest girl in a family is reported, it might prevent all the younger siblings from suffering the same thing. It is therefore important to tackle it.

There is a big challenge for police and health practitioners in exploring what information they can legitimately share within the bounds of medical confidentiality. That perhaps goes back to the point made by the right hon. Member for Rotherham (Mr MacShane) about looking at fresh approaches. Obviously, midwifery services and certain screening services pick up on this abuse more than other parts of the health service do.

I hope that Members across the House can send a signal from this debate that culture is no excuse for violence and the mutilation of girls and women in Britain. It must stop now. I hope that UN Women will take up the cause of ending female genital mutilation within a generation. I hope with all my heart that it is successful, and I hope that it gets generous support from the UK Government.

2.52 pm

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): We are having a good and informed debate, which follows a similar debate last week in the House of Lords. I encourage Members to read the *Hansard* from that debate, which is very interesting. Among the notable contributions is that of the Lord Bishop of Bath and Wells.

The hon. Member for Glasgow East (Margaret Curran) raised her eyebrows when I arrived in the Chamber today. She asked whether I was hoping to speak in the debate and I confirmed that indeed I was. I therefore feel that I should, at the outset, lay out my qualifications to speak. I feel qualified to speak because, after painstaking research, it has been revealed to me that exactly 50% of my ancestors are women. That pattern, believe it or not, has been repeated generation after generation. It is not just through the past that I have an interest, but through the future: I can inform the House that, so far, 100% of my descendants are female.

In this debate, we are really talking about the interconnectivity of people across family, society and nations. We all have an interest in ensuring that all of humanity is empowered, has rights that are respected and is allowed to capitalise on opportunities. The hon. Member for Epping Forest (Mrs Laing) told us that women earn 10% of the world's income. I did not know that and was genuinely surprised and shocked that it was so low. Unfortunately, too often the chances for a good section of humanity are blighted because of the two similar chromosomes, XX.

Much of the Arab world, specifically across north Africa, is in flux. That situation needs help now, and will need help when it settles. UN Women should be there to give a lead when the opportunity and the need arise. We should commit our £21 million to UN Women now. The fund has a target of $500 million, although I understand that it should have had a target of $1 billion. As it stands, it has only $55 million. There is much energy and enthusiasm behind UN Women. A new world order could be approaching with the changes in the middle east. Surely UN Women should be able to hit the ground running and help societies that are reforming and changing, and where help is wanted and needed.

Baroness Gould said in the other place last week:

> "Human rights and equality are two sides of the same coin".—[*Official Report, House of Lords*, 3 March 2011; Vol. 725, c. 1181.]

I think she was right. The five aims that have been set out for UN Women are expanding women's voice, leadership and participation; ending violence against women; strengthening women's full participation in conflict resolution and peace processes; enhancing women's economic empowerment; and ensuring that gender priorities are reflected in national plans and budgets. All are equally laudable, but the fourth aim strikes me especially strongly, particularly because evidence shows that the benefits to children are immense. Research from Asia, Africa and Latin America, which has been touched upon, has found that improvements to food security and nutrition are associated with women's access to income and their role in household decisions and expenditure.

Thinking back to my own childhood, I remember that my late mother, who was a strong woman and in charge of the household budget, put herself last in the queue for everything. Her strength was her selflessness. I suppose I should point out that research unfortunately shows that when men are in charge, there is a greater propensity for alcohol and tobacco spending. I shall move swiftly on from that point.

Eric Joyce (Falkirk) (Lab): Actually, that is a really important point. We often talk about the creation of jobs in developing countries through inward investment and say that it helps families, but in fact, where those jobs are to do with minerals and mainly men are employed, most of the money that those guys earn is spent on the mine sites themselves. The role of women in employment and how money gets passed into families is fundamental.

Mr MacNeil: The hon. Gentleman makes a very good point, which I had not actually thought of. We can think back to periods in our own highland history. When men were away working together in such jobs and operations, the propensity for alcohol spending on the site was exactly as he points out.

Like other Members, I have had the opportunity to go abroad. I went to Cambodia with VSO's political volunteering programme in September 2008, and from that experience I can see exactly the benefits of an organisation such as UN Women. I commend VSO for that scheme. The learning curve was steep for me on a multitude of issues, and I am still learning, of course. I should like it to consider expanding the scheme to other sectors outside politics, because it was very useful. Those who control levers in society could engage with the professional bodies in this country that are needed in developing countries.

Claire Perry: Does the hon. Gentleman agree that one of the most depressing things for parents of daughters, as we both are, is the lack of understanding of some of our young women about opportunities in the global perspective? One of the saddest statistics that I know, which I read recently, is that whereas 32% of teenage girls want to be models, only 4% want to be engineers. That is a deep indictment of our society, and initiatives such as he mentions will help to raise the profile of opportunities for women globally.

Mr MacNeil: I thank the hon. Lady for that valuable contribution. I have not had a conversation with any of my daughters about modelling or engineering, but my second daughter keeps telling me that she wants to look after the sheep when I go. I do not know whether that is a model profession.

There is an opportunity for us to engage with professional bodies whose work is needed in countries across the world, which can do something very important. Perhaps we even need to engage with the much derided financial institutions in this country and with individuals of high net worth, who could be shown the needs that exist and ways to help practically. They could simply have their hearts touched.

I was recently in Rwanda with an organisation called Results UK, which I am grateful to for taking me there. Rwanda is one of Africa's most progressive and impressive societies. Its economy is growing by 6% year on year, health indicators are going the right way, HIV is down to less than 2%, tuberculosis is really falling owing to being treated along with HIV, participation in education is growing and agricultural techniques are improving. The country is ambitious and has a "Vision 2020" for changes and improvements that will hopefully be brought about in the next nine years.

Rwandans are returning home, and I met a very impressive young woman, Dr Angelique, who had returned from Boston to drive Government training of health professionals. Her drop in salary was matched only by the size of her commitment. I thought she was impressive enough, but she then took me to a meeting, along with the hon. Member for Kilmarnock and Loudoun (Cathy Jamieson), chaired by a formidable woman, Dr Agnes. Her view was that 2020 was just around the corner. In that particular meeting, data corrections were required from various bodies for the health training plan, and she told those bodies that she wanted the improvements within three days.

Margaret Curran: May I offer the hon. Gentleman an apology? I have known him for many years, but have not realised that he is a key ally in the women's agenda. I am glad to stand corrected. I will quote him endlessly in Scotland as a supporter of our agenda.

On a serious note, the hon. Gentleman and I share a commitment to Scotland. Women in Rwanda have achieved very significant levels of representation, but likewise, the Scottish Parliament has significant representation. Does he agree, first, that there is a key link between women's representation in a given institution and the promotion of a women's agenda, and secondly, that it would be disappointing if the Scottish Parliament went back on that? We need to do something about that.

Mr MacNeil: The hon. Lady makes a very good point and perhaps anticipates what I was going to say.

The Health Minister of Rwanda told me that the nation's wealth was its human capital and that Rwanda hopes to maximise that in the years come, and contrasted that position with countries that think their wealth is in resources. The people in Rwanda feel that they are all important. Needless to say, Rwanda has pulled itself up by the boot strings in the last few years and, as the hon. Lady just said, it has the highest rate of women in Parliament in the world. Doubtless that is an example of using all the people and all the talents to the benefit of the country. A Senator in Rwanda asked me to spread the good news about his country if I were ever given the opportunity. I have such an opportunity now. His phrase was, "It has a great climate for investment in a good climate." I hope that Rwanda goes from strength to strength in the years to come.

That is part of the story in Rwanda, but bringing about change, as I saw in Rwanda, is often not complicated—it is not rocket science; it just takes will and intent. As the hon. Member for East Dunbartonshire (Jo Swinson) said earlier, it is not a luxury to move forward with the women's agenda, which benefits everybody.

Can the UK Government ensure that a group with five aims in that direction hits the ground running? Let us not wait to commit again to something that we intended to commit to anyway. Let us instead signal and lead that. By committing money, we can encourage others to do likewise, and give women a better chance and greater hope for the future. That will also help men in future, because helping women today helps the children of today, who are the men and women of the future. Can we commit our £21 million annually of core funding to the UN Women's fund?

3.2 pm

Dr Sarah Wollaston (Totnes) (Con): I should like to take this opportunity to raise the issue of women's rights in Saudi Arabia, and to pay tribute to Wajeha al-Huwaider, a remarkable woman—an author, journalist and human rights campaigner—who has done so much at great personal cost to raise the profile of women's rights in Saudi Arabia.

Women in Saudi have the status of perpetual minors and are denied the most basic human rights. Those abuses stem from the male guardianship system and the strict gender segregation in Saudi. A 2008 Human Rights Watch report spells out what that means in practice. Every Saudi woman must have a male guardian—normally a father or husband—who is tasked with making the most basic decisions on her behalf. An adult woman will sometimes have her son appointed as a guardian.

[Dr Sarah Wollaston]

Fully competent adult women are treated as legal minors, with little or no authority over their lives, bodies or well-being. Every Saudi woman is affected, regardless of her economic or social status. Adult women must obtain permission from their guardian to study, work or travel, and many are denied the right to make even the most basic decisions on behalf of their children. All hon. Members know that whenever women are hidden away, with few rights, the risk of domestic violence is increased, but the male guardianship system makes it almost impossible for those women to gain access to justice even when they are subject to violence.

Officials may—and frequently do—demand a guardian's consent even when no law or guideline requires it. Many women have been asked to produce written consent from a male guardian for medical treatment. The Saudi authorities insist that the rules are being relaxed, but in practice, I am afraid that they are not. In theory, a woman—only over 45, mind you—may travel without permission. In practice, however, many women without written permission from their guardian are turned away at airports.

Wajeha al-Huwaider first came to international attention on international women's day in 2008, when—rather shockingly—she drove her car on her own. Subsequently many Saudi women tried to follow her lead, and one woman was seriously injured after being forced off the road. Following that, women were so ostracised for such actions that they ceased.

This was not always the case. Wajeha al-Huwaider described how in her grandmother's day women had much greater freedoms: they were allowed to work in markets, travel freely and go abroad without permission; there were not the same dress restrictions; and they could divorce and remarry easily without being ostracised. I am afraid, however, that that is no longer the case in Saudi Arabia.

As women in this country and across the world look forward to the Olympics, women in Saudi Arabia are banned from the Olympic team, and have no access to public sport at all. Not only is it impossible for a Saudi woman to participate in a football match, for example, but she is banned from attending one as a spectator. That is truly shocking. From a letter of support from both sides of the House to Wajeha al-Huwaider last year and subsequent correspondence, we know that she is not seeking to westernise Saudi society; she is seeking fundamental human rights. Women must be free to travel, study and access medical care, and to escape from violent and abusive relationships without the consent of a male guardian.

Saudi Arabia has vast wealth and vast opportunities to spread that wealth, but half its population are among the most deprived people in the world. As we move towards the Olympics, I ask the Minister to use this opportunity to highlight the fundamental right of women to take exercise—a right denied to Saudi women. Will she join me in calling for all countries participating in the Olympics to allow women not just to sit in the spectators' gallery, but to take their rightful place on the starting line?

3.7 pm

Claire Perry (Devizes) (Con): It is a great pleasure to follow my hon. Friend the Member for Totnes (Dr Wollaston), who took this good opportunity to highlight one of the great injustices in the international world. I believe that by talking about these things and working across the House, we can bring appropriate pressure to bear on such repressive regimes. I also thank my hon. Friend the Member for Epping Forest (Mrs Laing) for working so hard to secure this debate, and also the hon. Member for North East Derbyshire (Natascha Engel) and my hon. Friend the Member for Battersea (Jane Ellison), who battled against the forces not of evil, but perhaps of darkness to get this debate on the books. It is greatly appreciated.

I want to speak on the question of what women want. In my view, they want nothing that Mel Gibson has ever been able to offer, but the same things that men want: in this country, they want strong communities, not streets scarred by crime, violence and fear; they want a world-class NHS, not a country in which the chances of surviving breast cancer are worse than they are 20 miles away in France; they want excellent schools for our children where teachers are free to teach, motivate and drive our young people to achieve all that they can; and they want a dynamic economy that creates jobs, generates taxes and means that we can afford strong, robust and sustainable public services. I think that the Government are delivering all those things. For Opposition Members to say that we are ideologically targeting women by cleaning up the messy economic legacy we have been left is frankly absurd and does not do those hon. Members, for whom I have great respect, any favours.

Women and men also want an end to discrimination and injustice in this country and globally, which is why I strongly support the launch of the UN Women initiative, which will work collectively to address some of the problems we have heard about today—for instance, the fact that 70% of the world's poorest people are women, and that women generate only 10% of the world's gross domestic product.

I want to use something that has been happening locally in my constituency for almost three decades as an illustration—a microcosm, as it were—of what can happen when the knowledge, resources and commitment of the global north are exchanged with the global south. The Marlborough Brandt Group, which was set up in the wake of the Brandt report, has worked to build exchanges, linkages and transfers between leafy Marlborough and a Muslim community called the Gunjur in south-east Gambia. One of the interesting and unexpected results of those linkages has been the enormous solidarity that has built up between the young women of both communities. The head of the organisation, Dr Nick Morris, e-mailed me to say:

> "When I first went to Gunjur 25 years ago village meetings were held under a mango tree and only men were present. Now, 25 years later,"

meetings are still held

> "under the same mango tree,"

and women are not only present, but are

> "in the front row and are leading the"

programme. He continued:

> "A...literacy programme run by women for women in Gunjur and surrounding villages"—

a programme funded by DFID since 1995—

> "has empowered women to make choices."

He quoted the case of Fatou Gibba, who

> "went on to study to be a teacher and…now runs the main pre-school in Gunjur where over 2,000 children,"

in what is a small community,

> "have had a headstart before attending the Government primary school."

Nicola Blackwood: Given the example that my hon. Friend has just described, does she not agree that the crucial thing that women want is the opportunity to take part in decision making and to choose what is best for their communities, and that where they are involved in these processes, they are stronger and produce the more resilient communities that she mentioned at the beginning of her speech?

Claire Perry: My hon. Friend makes an excellent point. Involvement in formal and informal decision-making processes is the key to achieving many of the objectives that we all share.

The idea of focusing resources on issues of inequality has enormous local and global benefits. As the hon. Member for East Dunbartonshire (Jo Swinson) said earlier, it is insane to miss out on the opportunity to educate over half the world's population. Indeed, that is one of the reasons that frequently comes up when I am justifying our laudable commitment to maintain DFID spending. I say, "Look, surely we are all better off if we develop and invest in the world's poorest populations," and in this case in the world's very poorest people.

Mary Macleod (Brentford and Isleworth) (Con): Does my hon. Friend think that we can do more through international collaboration to ensure that we help businesses, education and people right round the world?

Claire Perry: I absolutely do, and that is why we both support the valuable launch of this UN agency and our Government's commitment to provide it with funding and support.

If this afternoon's debate comes to a vote, I shall of course be supporting this excellent motion. I would also—if we got to this point—vote in support of the amendment. As the hon. Member for Slough (Fiona Mactaggart) and I have discussed on several occasions, having worked together on a number of all-party groups, such organisations would provide a powerful cross-party focus for some of the things that actually matter. When we make tough spending decisions, we of course have to think about what they look like in the round. One of the unintended consequences has affected funding for citizens advice bureaux. I am happy to say that in my constituency and county of Wiltshire we have maintained CAB funding. However, as a Government—we know that Ministers share this view—it is important that we should maintain funding in the round for such important organisations.

I will finish with the example of my campaign to provide the option of having an opt-in system for internet porn, which the hon. Lady also supported—indeed, she was involved in the debate. This issue provides a fascinating example of how men and women can come at something from very different points of view. The idea has been on the table several times, but when we first had the debate, the industry said, "No thank you—far too difficult to implement and regulate." However, we then funded some research that showed that although only 73% of men thought it a problem that our children were watching extreme internet porn, 93% of women thought that it was a significant problem. The majority of women said that they would like an opt-in system, which would give them the option of not having this stuff piped into their homes. That was an interesting example of how such committees can look at policy in the round and put a different focus on some of the recommendations.

3.14 pm

Lorely Burt (Solihull) (LD): It is an honour to participate in this debate today. I cannot think of a time in this Chamber when I have heard a higher number of excellent contributions from both sides of the House. My short speech will concentrate on the UK, and it will be somewhat lighter than some of the serious and sometimes harrowing contributions that we have heard.

I shall start with an anecdote. When I was very young—this was shortly after the Equal Pay Act 1970 had been introduced; it is that long ago—I was elected as a student governor at Dudley technical college, where I was doing my A-levels. I remember to this day the first time I piped up on an issue, only to be told by an elderly matriarch, "That's it, my dear! Throw your brassiere over the windmill!" In my political life, I have been told to do some very strange things, some of which would have been physically impossible, but that one sticks in my mind. At least I got the point that speaking up is a very good thing for a girl to do.

In the 40 years that I have been conscious of equality issues, however, I have been deeply disappointed at how short a distance we have come. I strongly support the main motion today, as well as the excellent amendment tabled by the hon. Member for Slough (Fiona Mactaggart) and other colleagues. She made a fantastic case for the creation of an equalities audit committee. Unless we audit these issues and measure how well we are doing, we will always be fobbed off with a long line of patronising excuses for why we cannot do certain things. After 100 years, we are still so far away from achieving equality, and we really need that extra strength. I hope that the Government will seriously consider the possibility of introducing such a committee.

Colleagues have talked about many topics today but, in the short time available, I should like to concentrate on women in the workplace in Britain. Work is key to dignity, self-worth and independence, in whatever country we are talking about—or at least, it should be. Too often, women are undervalued, patronised and, occasionally, worse. We sometimes reach positions of influence, however. A Conservative colleague told me a joke the other day that just about sums up our situation. Let us picture a cartoon of a boardroom. The board members sitting round the table are all men, with the exception of one woman. The chairman says, "Yes, that is an excellent suggestion, Miss Carruthers. Now, would one of the men like to propose it?"

Lord Davies recently published his excellent report, "Women on boards", but he stopped short of recommending quotas for boards. He said:

> "Many other people told us that quotas would not be their preferred option".

[Lorely Burt]

Well, of course they would not! Those people are locked into a syndrome of appointing "people like us"—not only white middle class men, but white middle class men who went to the same school and probably belong to the same club.

Amber Rudd: Does the hon. Lady agree that it is also important to make the point to companies that it is in their own interest, as well as that of the women, to appoint women to their boards? It has recently been proved that the share price of a company is much more likely to go up when there are women on the board.

Lorely Burt: The hon. Lady makes an excellent point. In fact, I was about to say that, if only those people would take a look, they would see a wealth of talent that is not like them, but that has different, fresh perspectives and can bring wealth to the business because it can see different angles and opportunities. The gauntlet has nevertheless been thrown down for those companies, and Britain's 100 biggest companies have five years to double the proportion of women on their boards from the current average level of one in eight to one in four—or else they will face mandatory quotas.

Claire Perry: Does the hon. Lady agree that one of the great impediments to achieving that number on the boards is that many of us often hit our career strides just as we hit our reproductive peak—and it is a ghastly problem, as many of us know, managing children and careers at the same time? Support for more flexible working and more co-parental leave is critical to achieving the sort of targets to which we both aspire.

Lorely Burt: I totally agree, and I am wondering whether the hon. Lady has read my speech, as I was just about to come on to that. I hope that the threat of quotas will speed up the process of appointing far more women to company boards. In fairness, I know my description was a bit of a caricature, as there are some good measures in place to convince boards of the economic benefits that would follow and that the hon. Member for Hastings and Rye (Amber Rudd) mentioned.

The coalition Government are delivering some good things for equality. As the hon. Member for Devizes (Claire Perry) just mentioned, the right to flexible working for all will be a great equaliser. Employees without children will potentially benefit from greater flexibility, too, which is great for our well-being agenda. Research demonstrates that people who have a balanced life and are able to work flexibly are more productive, more loyal, absent less and suffer less stress within the work environment. Everybody wins from that situation.

The division of maternity leave between parents is another important step towards introducing the concept of equality in the home as well as in the workplace. Men usually want to play a more important role in caring for their children, although our friends in the press have yet to understand that, as the Deputy Prime Minister was vilified for having the temerity to want to take a share of the child care with his working wife. These measures will help, although we still have a long way to go towards a time when workplace culture measures an individual by the contribution they make, not by the number of hours they are physically present.

Nicola Blackwood: Does the hon. Lady agree that one area where we have the opportunity to make up one of the most disproportionate representations is in the area of STEM—science, technology, engineering and maths—subjects? We have a Government who are happily committed to enhancing the low-carbon, high-tech economy, so does the hon. Lady agree that we could make a lot of progress in this area in a very short time?

Lorely Burt: I totally agree with the hon. Lady and I could talk about it all afternoon; unfortunately, I have only two minutes left.

On the continuing vexatious issue of pay, the gender gap is still more than 15%. I am disappointed that we did not enforce section 78 of the Equality Act 2010, which required companies with more than 250 employees to introduce pay reporting. If companies are not held accountable for the inequalities they perpetrate, what incentive is there for them to change? They remain able to sweep the figures under the proverbial carpet and carry on paying women less than men.

That is why I have today tabled early-day motion 1571 on the gender pay gap, which urges the Government to look again at the issue in 2013 and legislate to introduce pay reporting if a marked improvement is not seen in the next 18 months. I hope that hon. Members from both sides of the House will be minded to sign this early-day motion. If this threat stays over the heads of the unwilling, we can hope for ongoing improvement. This is one area where we can make all the difference. As to all the other grave issues that other colleagues have raised today, we must all keep fighting to use our relatively privileged position to do all we can to assist.

3.24 pm

Mary Macleod (Brentford and Isleworth) (Con): I thank the Chair of the Backbench Business Committee, the hon. Member for North East Derbyshire (Natascha Engel), who was determined not to back down and who received considerable support from my hon. Friend the Member for Battersea (Jane Ellison). That proves that women should not take whatever is thrown at them, but should stand up and be counted—which is what they both did, and I thank them for it. I also thank my hon. Friend the Member for Epping Forest (Mrs Laing), who tabled the motion and who produced an excellent summary of women's issues both nationally and internationally.

It strikes me that we may have made history today. Probably for the first time in a debate such as this, more Conservative Members than members of all the other parties combined were present at the start. That is a step forward for our party. I also applaud the men who are present for the debate. As was pointed out by the hon. Member for East Dunbartonshire (Jo Swinson), this is not a luxury or fringe issue but one that involves the suffering of human beings and economies, which affects us all. It is therefore important for us all to be here.

Let me begin on a positive note. Women have made significant contributions to society over the centuries. We need only consider Boadicea, the British Celtic warrior queen who led a revolt against the Roman occupation; Joan of Arc; Queen Victoria, who presided over one of the largest empires ever seen; Florence Nightingale; Emmeline Pankhurst; Marie Curie; Mother

Teresa of Calcutta; and of course, last but not least, an incredibly talented woman and amazing role model—our former Prime Minister Margaret Thatcher, the first female Prime Minister in Europe. Evidence suggests, however, that women are being held back from making a full contribution. Internationally, women in all parts of the world still suffer violence and discrimination. Across Europe the average gender pay gap is 17.5%, and in the United Kingdom, despite the Equal Pay Act 1970, men still earn more than women in most job categories.

There are many ways in which we can tackle those issues. I want to focus on two key areas: empowering women and addressing violence against them. There is no doubt that empowering women in the world will be good for the global economy, not to mention the overall security of the world. The United Nations has argued that the empowerment of women is perhaps fundamental to the achievement of many other millennium development goals, given the multifaceted role typically played by women as mothers, leaders, students, decision makers, workers and voters.

Nicola Blackwood: Does my hon. Friend share my concern that although women make up 70% of the world's poor, UNIFEM's budget in 2009 was just 1% of the total UN budget?

Mary Macleod: I agree. Much more needs to be done.

I welcome the launch of UN Women and the comments of Ban Ki-Moon, the leader of the United Nations, who said:

> "UN Women is a recognition of a simple truth: equality for women and girls is... a basic human right... a social and economic imperative."

As we have already heard today, schemes to empower women have led to very positive results in developing countries. MicroLoan Foundation, a charity in Chiswick in my constituency, has demonstrated that working on a micro scale often delivers significant benefits. The foundation provides small loans for women in rural parts of Africa to enable them to set up their own self-sustaining businesses. Those who receive the loans—about 20,000 women so far—are treated as business people rather than recipients of charity. They are expected to pay the money back when their businesses are up and running, and an amazing 99% do pay it back. The money is then lent to a new group of women, and a virtuous circle of investment is thus created.

Education is another key part of empowerment, and we still have much to do internationally in that regard. In sub-Saharan Africa, north Africa and south and west Asia, women do not have easy access to education beyond primary level, as was mentioned by my hon. Friend the Member for Banbury (Tony Baldry). It is therefore incredibly important for us to continue our education work.

Closer to home, much remains to be done to achieve the goal of empowering women, first by putting women on company boards. With the celebration of international women's day this week and the publication of the Lord Davies report last month, much has been said recently about the need for more women at senior levels in UK companies. The evidence is now clear: companies that have more women at senior levels perform better, with stronger stock market growth, higher returns on sales, capital invested and equity, improved decision making and better corporate governance. Yet only 7.8% of the directors of FTSE 250 companies are women, and more than half of those companies have no women at all on the board. I welcome the publication of the Lord Davies report, and his call for our largest companies to aim for a 25% minimum proportion of women board members. However, I also want to challenge the chief executives of the FTSE 250 companies to include diversity in the performance objectives of senior executives, so that they are measured on that and remunerated accordingly.

Amber Rudd: Is my hon. Friend aware that an organisation called the 30% Club has been set up in the City by a number of chief executives, in order for them to work together to achieve higher representation of women on their boards?

Mary Macleod: Yes, that is an excellent initiative. There is another scheme under which the chairmen and chief executives of various boards mentor the next level of senior women in the City, which is working extremely well.

The second area I want to address is women's entrepreneurship. Again, there is a lot we need to do. The Federation of Small Businesses published a report suggesting that women in the UK could make a much more significant contribution to the economy. Currently, women constitute only 29% of the self-employed population in the UK, despite making up 46% of the active working economy.

Sarah Newton (Truro and Falmouth) (Con): In respect of both that point and the issue of women's representation in larger organisations, does my hon. Friend agree that there are two types of discrimination at play: an ageist attitude as well as an attitude against women? Does she also agree that, given that from now on women will be working for much longer and flexible working will be far more widely available, women will be more able to fulfil their desire to have both a family and a career?

Mary Macleod: My hon. Friend is entirely right. We must have flexible working in order to make progress. We need more examples like Cath Kidston in Chiswick in my constituency. She has set up her shops from scratch and has been incredibly successful. In the UK, 150,000 start-ups would be created per year if women started businesses at the same rate as men.

The third area I want to talk about is very dear to my heart: women in politics. The hon. Member for Na h-Eileanan an Iar (Mr MacNeil) talked about Rwanda and how well it has done politically. We currently have the highest number ever of female representatives in the House of Commons and the Lords, but it is still low; it is still just 22% in the House of Commons, and more needs to be done. That is why I have set up the all-party group for women in Parliament to look at how we can take the issue forward and work together across the House to make sure that we keep delivering change and give women the opportunity to get into politics. The key is for women to work together, act as role models, and reach out and mentor the next generation of women in politics. We must also break down the barriers that undoubtedly still exist.

Mrs Grant: Does my hon. Friend agree that better and more affordable child care is also part of the process, in that it enables women to get out of the home and back into the work force as wealth creators, entrepreneurs and taxpayers?

Mary Macleod: I agree entirely; that is a very good point.

In conclusion, I want to talk about violence against women—another subject that is extremely close to my heart, first, because it is a major issue for me in Hounslow in my constituency and, secondly, because Refuge was set up in Chiswick in my constituency. My hon. Friends the Members for Epping Forest and for Maidstone and The Weald (Mrs Grant) have discussed this subject very well and have laid out some of the major issues that we face. There have been more than 1 million female victims of domestic abuse in England and Wales in the last year. That is a huge figure. We need to talk about the problem more, and to try to speak to the next generation in schools and elsewhere to convey that domestic violence is completely unacceptable.

Fiona Mactaggart *rose—*

Mary Macleod: I am almost finished, so I shall not give way.

The Home Secretary has spoken firmly on the issue of violence against women and girls, saying that our

> "ambition is nothing less than ending all forms of violence against women and girls."—[*Official Report*, 25 November 2010; Vol. 519, c. 52WS.]

I also congratulate the Mayor of London on what he has done to quadruple the number of rape crisis centres in London. We have a duty to keep talking about what women have achieved across the globe and about the challenges and issues that still exist. That is why this debate is so important. By collaborating and working together we can achieve so much more and deliver a real change across the world.

3.35 pm

Roberta Blackman-Woods (City of Durham) (Lab): First, may I apologise to you, Madam Deputy Speaker, and to the House for not being here at the beginning of this debate? I am very pleased to be able to participate in it.

It seems appropriate, as we celebrate the 100th anniversary of international women's day, to be welcoming the formation of UN Women. I welcome not only its formation, but the fact that it has set itself some challenging tasks. It seeks not only to be a global champion for women and girls, but to eliminate discrimination against women and girls, to empower women and to ensure that they achieve equality as beneficiaries of development aid, human rights, humanitarian action and peace and security.

UN Women is very much to be welcomed, but we might wish to reflect for just a moment on why it is essential to have such an organisation. Some of us who have pressed for UN reform for many years are very glad to see it and think that its setting up is not before time. One of my arguments for a global body examining what is happening to women's rights was the failure to deliver on the millennium development goals. We know from a series of recent reports that little progress is being made on wiping out poverty in the world's poorest countries, and the situation is being made worse by the global recession. Although aid to developing countries is at an all-time high, it is still £13 billion short on commitments for this year.

The progress has been particularly slow for women, who bear the brunt of poverty and its effects. According to research by the children's development organisation, Plan International, girls are still far more likely to die before their fifth birthday than boys, and mostly from diseases that can be prevented, such as malaria and tuberculosis. Many rich nations that pledged aid are reneging on their promises, which is having a knock-on effect across the range of MDG targets. The overall level of donations in 2010 was estimated at about £108 billion, but that represents an £18 billion shortfall on commitments. The situation is having a disproportionate effect on women, because the least progress has been made on achieving the targets set for MDGs 4 and 5, on reducing maternal and child mortality, and helping women access reproductive health care.

That means that a huge task has been set for UN Women, and I want to discuss that in the context of a country that I know very well—Afghanistan. A number of us will know that women in Afghanistan suffer dreadfully from the impact of poverty and a lack of rights. The situation is improving, and we should note that, but there is still a lot to be done. We believe that about 87% of women in Afghanistan suffer some form of domestic abuse, and that about 60% to 80% are forced into marriage. There is a very low level of participation in education there, too. Again, the situation is improving, and many more girls have entered education, particularly primary school, since 2002, but a low level of participation in higher levels of education remains. Life expectancy is very low, at only 44.

It would be totally wrong to present women in Afghanistan as victims. The many women whom I have met, including parliamentarians, are extremely strong and resilient and they want to play a more active role in their society, not only at a social level and in governance but in the economy. I was pleased to see that DFID recently put an additional £85 million of funding into micro-finance initiatives. I have seen some of those initiatives in Afghanistan. They give women a lifeline in a number of ways. Not only do they give them a job and the means of earning a living, but, because women are seen to contribute on the economic front, their status in their family and wider kinship group changes. We hope that that can be built on for the future.

We also know that a lot of our aid money is helping women to play a much greater role, and not only in governance. We must remember that 25% of the Parliament in Afghanistan is made up of women, although they need a lot more encouragement and support to find their voice. Through the UN, many women in Afghanistan are being encouraged to play an active part in their security and police forces. There is now a commitment to try to ensure that 30% of the police force is made up of women.

Fiona Mactaggart: Like my hon. Friend, I have been impressed by the women of Afghanistan. Is she confident that the voices of those women will be heard in any negotiations about the future of Afghanistan in which forces from the US and the UK might talk about withdrawal, leaving them to whatever is left behind?

Roberta Blackman-Woods: My hon. Friend makes an important point. By being vigilant, we must ensure when we withdraw on the military front that strong support structures are left in place, so that the many gains made by women in Afghanistan remain and are built on. We need to support the women parliamentarians—they will be the people who will be there and who will be able to put the monitoring systems in place.

The UN has funded a number of referral centres that are giving women in Afghanistan a safe haven and have been established in the 34 Afghan provinces. If such improvements are to continue and to be further developed, it is essential that UN Women gets the resources that it needs. Some of the preliminary figures are worrying—at the moment, only about 10% of the $500 million target is in place. We all need to press for additional resources.

We have all spoken about the women who are in Parliament in Afghanistan and we know that if things are to improve for women we need more women in politics and in decision-making structures. The Commonwealth Parliamentary Association and other networks helpfully enable us to share our experiences and to learn from women in different parliamentary contexts. If we are to continue to do that, we must be careful about the messages that we send from this country about women's potential and what we do to support women. I am hesitant about introducing some party political conflict into the debate, but I am concerned about the impact that the cuts are having on women in my community. Not only are jobs being lost. Cuts are being made to child care and the public services on which women rely, changes are being made to the Child Support Agency and there is a lack of opportunities in housing. Our universities and colleges might even become less open to women in the future, if women are concerned about debt. I hope that the Government will consider that point and adopt the amendment tabled by my hon. Friend the Member for Slough (Fiona Mactaggart) to implement a gender audit. I shall support the amendment and the main motion today.

3.45 pm

Bob Stewart (Beckenham) (Con): I was not going to speak at all, but I have listened to the debate and thought I would try, so I hope that hon. Members will forgive me if it comes out rather badly. I want to talk about the courage of women, especially the courage that I have witnessed. First, I remember watching a woman walking out of Srebrenica holding a baby, in 1993, when we arrived there. She held her head high. We were tired and hungry, but we looked at this woman who had lost everything and we were inspired: here was someone very special. A few days later, I saw a woman who was going to be shot. She was holding a baby and in what were apparently the last few moments of her life she sheltered the baby. She was not shot—we avoided that—but that shook me to the core.

I know that my mother learned to parachute at the age of 22 at Ringway airport, when she joined the Special Operations Executive, and I remember seeing my wife, Claire, in Bosnia, in 1993. I was sitting in my tank watching an artillery barrage in the valley below when I saw a person walking down the road in the middle of the barrage. I put my magnification on and saw that it was a woman; more than that, it was an International Committee of the Red Cross delegate whom I knew—now my wife, Claire. I drove down there, opened the hatch of my vehicle and asked, "What the heck do you think you're doing?" *[Laughter.]* Please do not laugh, because it happened. She said, "Would you please go away? You're bringing fire on to my position." I said, "What are you doing?" and she replied, "I'm going to the front lines to register prisoners." "Would you like me to escort you?" I asked. "Certainly not!" she said, "We don't want soldiers around us when we do that sort of thing."

My view is that women not only civilise war situations but calm them. It is absolutely crucial that women are involved in any peace process because they are at the core of our society. In my experience, they are the only people who stay looking after the children when the men depart. They never give up their responsibility to children. That makes them not only equal but very special. I fully endorse the idea that women are equal in all senses, but I also think that they are more than that: they are very special because they do things that men do not—sometimes. Of course, they are impossible in some respects. My wife is French and I have been trying to make sure that her English is perfect, but, my goodness, does she ever learn, "I'm sorry, it's my fault"? No, she does not. Seriously though, I fully believe that women are terribly important in the peace process. On that note, I think I will sit down because I have caused enough suffering.

3.49 pm

Rushanara Ali (Bethnal Green and Bow) (Lab): I pay tribute to the hon. Member for Beckenham (Bob Stewart) for an excellent contribution.

It is a great pleasure and honour for me as a new MP to speak for Labour from the Front Bench. In government and opposition, and throughout its history, the Labour party has fought relentlessly for women both in Britain and internationally.

I congratulate the hon. Member for Epping Forest (Mrs Laing) and members of the Backbench Business Committee on securing today's debate on UN Women, in the week of the centenary of international women's day. It is disappointing that, unlike past years, Government time was not found for this important debate. Let us hope it does not symbolise a lack of commitment to women by this Government.

As we recognise and celebrate 100 years of women's advancement, it is clear from the debate how much more there is still to do in our own country and around the world. Members on both sides of the House spoke movingly of the importance of UN Women and its potential contribution in the coming years.

My right hon. Friend the Member for Lewisham, Deptford (Joan Ruddock) spoke of the importance of the convention on the elimination of all forms of discrimination against women and of the Equality Act 2010. My hon. Friend the Member for Poplar and Limehouse (Jim Fitzpatrick) talked about his VSO work in Bangladesh. My hon. Friend the Member for Glasgow East (Margaret Curran) spoke movingly about the plight of women in the Palestinian territories. My hon. Friend the Member for Slough (Fiona Mactaggart) spoke powerfully about the experience of women who face sexual violence and rape in many conflict zones.

[Rushanara Ali]

My hon. Friend the Member for Stretford and Urmston (Kate Green) talked about the pay gap between men and women in this country and elsewhere. My right hon. Friend the Member for Rotherham (Mr Macshane) told us of the plight of women faced with trafficking and prostitution, and many other powerful contributions were made by Members on the Opposition Benches.

The hon. Member for Epping Forest spoke of the importance of this once in a lifetime opportunity for us to back UN Women, to fight for women's interests around the globe. The hon. Member for East Dunbartonshire (Jo Swinson) also referred to the importance of providing women with support, especially to ensure that they can play a strong role in peace and security initiatives. There were many powerful contributions from both sides of the House, often based on direct experience in countries around the world as well as in the UK.

I turn to the substance of the debate: why UN Women is such an important agency and why it provides such a unique opportunity for our generation to tackle the challenges facing women around the world. Only 19% of the world's parliamentarians are women. That is not good enough. We must do more to empower women in political life. Many Members spoke about that issue. We must do more to ensure that our political institutions hold their Governments to account on policies affecting women, as the amendment proposed by my hon. Friend the Member for Slough powerfully highlights.

A third of the world's female population have been beaten, abused or coerced into sex. Women have the right to live free from violence, and the world must do more. As we know, women's rights and interests are often an afterthought in matters of war and peace. We must do more to strengthen women's participation in peace processes and conflict resolution, as was highlighted in the debate. We must do more to empower women in terms of their life chances.

I am proud that in the UK my party did a huge amount to improve women's representation in Parliament. Other parties have followed suit, but only 20% of MPs are women and in this Government only four Cabinet Ministers are women. I hope that we will see many more women on the Government Front Bench in years to come.

As much as I enjoy debating with the Under-Secretary, I am sure that the irony is not lost on him that the Government's International Development and Foreign Affairs teams are both male-dominated. I hope that in future we will see women in those teams speaking up for women in this country and around the world.

The Parliamentary Under-Secretary of State for International Development (Mr Stephen O'Brien): To ensure that the hon. Lady's last point does not deflect from the most substantive parts of the debate, I think it is helpful to note that our spokesman in the other place is Baroness Verma and that our coalition partner's spokesman is Baroness Northover. I would be most grateful if the hon. Lady would let us know the names and gender of all members of Labour's International Development team at the time of the previous Government's departure.

Rushanara Ali: I thank the hon. Gentleman for his intervention. Under Labour, there were many women in Cabinet posts, but not enough. I hope that we can work across the parties to ensure even greater representation of women in positions of power in this country, because we are a symbol of progress around the globe and have a responsibility to ensure that more women are in positions of power.

Let me move on to the issue of violence against women. Women still bear the brunt far too often in conflicts around the world, facing sexual and domestic violence as well as human trafficking. Whether in Haiti, Congo, Afghanistan or Darfur, women have been exposed to brutal attacks, often as deliberate tools of political and ethnic violence. Mass rape is used as a weapon of war. I am only too aware of just what that means, as someone who was born in Bangladesh, a country that gained its independence 40 years ago in a war that cost 3 million lives. To this day, that society remains haunted by stories of rape and brutalisation. In other countries, such as the Democratic Republic of the Congo, women are far more likely than soldiers to be victims of violence. In south Kivu in the DRC, around 40 women are raped every day.

Women most need protection against sexual violence in times of war and conflict, yet the Government are watering down the European convention to combat violence against women—an international agreement that would protect women against domestic and sexual violence—arguing that it should apply only in peacetime, not in conflict situations. They are refusing to treat violence against women as a violation of human rights. As we have heard, the Government failed to sign up to the EU directive on human trafficking. Those policies, if supported, would save lives and protect millions of women around the world.

On economic empowerment, we will not unlock development and economic growth in developing countries unless we ensure that women have the same rights as men to access finance, the workplace and education, and have the same property rights. We will not meet the third millennium development goal without tackling gender inequality. Women do two thirds of the world's work and yet receive only 10% of the world's income. Here in the UK, as has been mentioned, women are bearing the brunt of the cuts. As my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper) has shown so powerfully in her campaign for the Fawcett Society, women are being hit by the cuts much more than men are.

There is also a political and moral side to development. It is why we fought and won the argument about landmines, and it is why we believe that democracy, civil society and empowerment are essential to development. For women, globally, it means that we need an organisation, such as UN Women, not just to champion poverty reduction, but to improve the status of women. That is why we need to fund UN Women.

Britain has been a leader in international development, and if we delay support, we risk holding others back, so I repeat our calls to unlock the core funding that is so desperately needed for UN Women. Ministers repeatedly assured us that, on the conclusion of the multilateral aid review, a decision would be made on funding UN Women, yet no decision was made, and now we are told that a decision will not be made until June. I therefore ask the Minister: are we going to see any movement on transitional funding between now and June? We have heard talk of between £1 million and £10 million being released. Can we have an assurance that, if it is released, it will not represent the total allocation? We also call on the Government to support fully the European convention on combating violence against women, and to sign up to the EU directive on human trafficking.

The motion before us rightly places tackling international gender inequality at the heart of our support for UN Women, and I hope that this House will give its wholehearted support to that and to UN Women. I hope, too, that Treasury Ministers see the strength of feeling in the House in this debate and unlock that badly needed funding for UN Women. I also hope that by the time we celebrate international women's day next year, we will see a flourishing UN Women, working with the UK Government to empower women throughout the world.

4.2 pm

The Parliamentary Under-Secretary of State for International Development (Mr Stephen O'Brien): I am grateful for the opportunity to follow the hon. Member for Bethnal Green and Bow (Rushanara Ali), because she demonstrates that there is genuine, sincerely felt and broad unanimity across the House about the importance and dynamism of the agenda, and about the cause to which we all adhere.

It is a genuine pleasure to be here on the centenary of international women's day to celebrate the achievements of women past and present. Great strides have been made in the recognition and promotion of women's rights, but it is important to recognise that, whatever strides have been made, there is much more that needs to be done.

I congratulate my hon. Friend the Member for Epping Forest (Mrs Laing). Her opening speech was so excellent that I hope it will become a candidate for one of the greatest parliamentary speeches of the 2010s, because, along with others to whom I pay tribute, she not only battled to have this debate at all, and in the way in which we are having it, but absolutely nailed the universality of the cause, the importance of it here in the UK and internationally, hence a DFID Minister is answering today, and how important it is not to lose sight of the absolute core argument, which is about empowering women wherever, however, at all times and without any let-up.

I was deeply impressed by my hon. Friend's speech, and she put her finger on something very important: if we are to have any chance of achieving the millennium development goals, we have to focus not only on women and girls, who are central, but on adolescent girls, because they are the key to stopping poverty and, above all, inequality surviving from generation to generation. She made a very powerful point about optimising the world's interest by removing all discrimination, above all, against women, and it is by that means that the greatest amount of peace, respect and security can be secured for our world.

We have had a series of outstanding speeches. Many people have contributed, and I will try to do justice to the contributions in the time available. The hon. Member for East Dunbartonshire (Jo Swinson) made a very powerful series of points about the need for, and indeed evidence on, consensus and leadership, and the need for the UK to demonstrate leadership in the drive forward. I will come to the answers prompted by the questions put by the hon. Member for Bethnal Green and Bow, who spoke for the Opposition, but I did note that it is very important to agree on how much the national action plan becomes a core focus of what we can do to move things forward.

My hon. Friend the Member for Oxford West and Abingdon (Nicola Blackwood) made a powerful and well-researched speech. She said that peace and security in Afghanistan should not be at the expense of women having to revert, or even approximately revert, to anything like the terrible conditions and cultural impacts that they have had to suffer in times past. We should all get right behind that. She described the importance of Ms Bachelet embedding the role of women in security and peacebuilding, as much as anything else, at the core of her agenda. I note that she was pleased to make mention of the importance of UN resolution 1325 as regards the equalities agenda in Nepal.

Joan Ruddock: Has the Minister made any inquiries about the shelter programme in Kabul? There has been great controversy about the Afghan Government trying to take over the shelters that are being run by NGOs, and women there feel very strongly that they could be in real difficulty were that to happen.

Mr O'Brien: I am aware of that problem. We are talking to a series of international partners very urgently; indeed, one of my ministerial colleagues is not far from the region at the moment, and I know that he is seized of the issue. As the right hon. Lady has intervened, I add that I thought her comments on the position of women and girls in Egypt were very powerful. She talked about working through partners throughout the middle east and north Africa, as well as the importance of constitutionality in underpinning rights. Her reference to the testimony of Nawal El Saadawi made a deep impact on the House.

Speaking of impacts on the House, I turn now to the tremendous speech by my hon. Friend the Member for Maidstone and The Weald (Mrs Grant). It was truly moving. I think we all felt that she not only fully understands domestic violence but is able to try to see round the corner as to how we can truly tackle it in all its abhorrence and inexcusability. In the course of her inspiring speech, I was particularly touched by her reference to the first women's refuge being set up in Carlisle. By complete coincidence, I am familiar with that because my own mother has had an involvement in helping and assisting it through the nursing profession. I pay tribute to that wonderful institution, which my hon. Friend's mother was so instrumental in founding.

My hon. Friend was right to show how important it is to understand the connection with education in affecting the attitudes and behaviours of boys and girls alike in being able to make progress. I felt—as, I am sure, did the whole House—that in speaking about women and girls in the United Kingdom, she spoke for girls and women around the world.

My hon. Friend the Member for Banbury (Tony Baldry) and the hon. Member for Poplar and Limehouse (Jim Fitzpatrick) spoke with a background in VSO, which has been terribly instrumental for many people

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who have had the opportunity to work abroad. They made some important points about leadership and ensuring that we allow testimony to inform policy and follow recommendations, whether from the Conservative Human Rights Commission or the Godmothers campaign.

The hon. Member for Bethnal Green and Bow said that she had been born abroad. I share that experience, having also been born abroad. These things give one an insight, whatever the circumstances, into some of the issues that take us a long way from our own setting and our own experience, and that can only be useful, we hope. I will of course return to the resourcing of UN Women, which has been a feature of many of the speeches.

The hon. Member for Slough (Fiona Mactaggart) made a very powerful and deeply passionate and committed speech. I respect her for her views and her experience in raising these issues. She talked about the Democratic Republic of the Congo, and about her wish to see how we can drive forward this agenda—how we hold people's feet to the fire and really influence things. That is what lay behind her amendment. I promise to cover that properly when I get to the substance of my prepared remarks.

The hon. Member for Glasgow East (Margaret Curran) made an important point about access to education, which is so restricted at the moment in the occupied Palestinian territories.

The hon. Member for Solihull (Lorely Burt) illuminated the issue with an enjoyable, anecdotal speech. Above all, she made the significant point that girls must be encouraged to have the confidence, as early as possible, to speak up. That will so often carry them through in later years to break through many of the ceilings and barriers that have been put in their way, and further the cause.

The right hon. Member for Rotherham (Mr MacShane) made an important contribution on trafficking and made a number of interventions. Above all, he asked how we can monitor the progress of the new law to ensure that it has the desired effect. He said that there is some evidence that the very nature of prosecution could lead to some people not presenting the problem in the first place. That evidence is still very uncertain, which is why it is important that we keep a close eye on how it can be monitored. However, the cause is unarguable.

The testimony of the hon. Member for Edinburgh East (Sheila Gilmore) made it clear that when women are given a full chance, they surface everywhere on merit. It is vital to recognise above all that it is only false barriers and discrimination that keep people back.

The hon. Member for Stretford and Urmston (Kate Green) drew the important conclusion that we should be vigilant in ensuring not only that people have access to paid work, but that the caring role has a value, particularly in relation to children. That point was picked up by my hon. Friend the Member for Beckenham (Bob Stewart) in his passionate speech and his testimony of what he saw on the front line as a soldier. It is vital that the role of carers and lone parents is central in this argument.

My hon. Friend the Member for Battersea (Jane Ellison) touched on an issue that is always difficult to raise in this House, but that it is vital we give a proper hearing to, and that is the absolute abomination of female genital mutilation. I witnessed this issue last year when I visited the hospital in Bo in Sierra Leone. About 82% of the women in Sierra Leone have suffered genital mutilation. It is important to find champions in the older generation of women to help to ensure that younger girls are not subjected to it and to break the cultural expectation, which is driven by the totality of the family, rather than just the men. There are also serious cases of women dying of fistula, which is part of the problem. Going to the fistula clinic in Bo is obviously harrowing, but equally, it is an inspiration for all who are passionate about making the right decisions for development and about driving for results that will make a difference.

I am grateful to my hon. Friend the Member for Devizes (Claire Perry) for raising the work of the Marlborough Brandt Group in Gunjur in south-eastern Gambia. Although she credited the Department for International Development with funding it, I had yet to become familiar with it. She said it was important to root our efforts to empower women in the recognition that we must focus on women and young girls.

The next in this series of outstanding speeches that I will react to is that of my hon. Friend the Member for Hastings and Rye (Amber Rudd), who gave a balanced speech, despite saying at one point that men were untrainable. She talked about the Barefoot college, which trains women in solar electrification systems that can supply villages with electricity off-grid, and said that 97 villages had trained their own women. I must confess that solar electrification is an area in which I am certainly an untrainable man. That said, it was a powerful example of precisely how we should be thinking.

My hon. Friend the Member for Totnes (Dr Wollaston) raised the difficult but important issue of how it can be acceptable for the Olympic games to have a culture whereby women from Saudi Arabia are not eligible to take part. I undertake to have discussions with the Minister for Sport and the Olympics and to ensure that we come back with a considered response on that important issue, which is about the fundamental right of women not only to enjoy and participate in sport, but to be able to participate in all competitions.

My hon. Friend the Member for Gillingham and Rainham (Rehman Chishti) encouraged us to sign up wholeheartedly to all the UN initiatives and to what UN Women is doing, and he rightly encouraged us to have more women in Parliament. He also focused on how to deliver results, which is totally consonant with the approach that DFID has taken in the reviews of our bilateral and multilateral programmes. The results of Lord Ashdown's humanitarian and emergency response review will be announced shortly, when he has concluded it.

We also heard from the hon. Member for Na h-Eileanan an Iar (Mr MacNeil)—I think I have pronounced that more or less correctly. I had to go on holiday to South Uist last summer to ensure that I had mastered the constituency's name.

Mr MacShane: Say it again.

Mr O'Brien: Na h-Eileanan an Iar, I think it is. I will have to take a sip after that.

Mr MacShane: I hope that's water.

Mr O'Brien: Unfortunately it is not Budget day, and I am not the Chancellor.

The hon. Member for Na h-Eileanan an Iar made the call for immediate funding, and I promise that I shall come on to that. He talked about the need to strengthen women's participation in conflict resolution, which was a theme of a number of the important contributions today. We in DFID are examining the centrality of women and girls in delivering all aspects of development, which is necessary partly because of their deep adherence to peace and security. As my hon. Friend the Member for Beckenham said, we need to enable them to carry out the added role on which they will never let up even if there is total equality—ensuring that children have the very best safety and the best context in which to be raised and thrive. That was an important part of the debate.

The hon. Member for City of Durham (Roberta Blackman-Woods), who spoke at the end of the debate, made a powerful addition to it. She centred her remarks on the fact that our own experience here in the UK is informative for programmes that we design to be effective and drive through results in some of the poorest countries. Those programmes reach some of the most wretched people, above all women, who, as has been said many times, make up 70% to 80% of those affected.

I listened with great care to my hon. Friend the Member for Brentford and Isleworth (Mary Macleod), as she happens to be my sister's MP. She talked about a range of matters, and she introduced the important point that we must challenge people at all levels. It is right to challenge FTSE 250 companies and recognise that there are as many brilliant business women as there have ever been business men. We need to ensure that they are given exactly the same levels of responsibility for entrepreneurship and management, and that they feel there is always the possibility of progression and never a glass ceiling.

Despite many advances, we are still faced with enormous challenges, particularly in the poorest countries, although I do not in any way want to decry the serious challenges that still exist in our own society. Every year, more than a third of a million women die completely avoidable deaths in pregnancy and childbirth. It is vital that we take steps that will be transformational. We know that women own less than 10% of the world's property and that, globally, 10 million more girls than boys are out of school. As many as 41 million girls worldwide are still denied a primary education. In some countries, as many as 60% of women say that they have been physically or sexually abused by their intimate partners. That puts in context some of the points about female genital mutilation, important though they are.

Women and girls continue to bear a greatly disproportionate burden of global poverty. We know that gender inequality lies behind the slow progress—very slow in certain places—towards the off-track millennium development goals, particularly MDG 5 on maternal health. Progress is also lagging on most targets under MDG 3 on gender equality, including those on secondary education, political participation and access to paid employment.

An important point was made earlier about water and sanitation, and the fact that it is vital to recognise that if we want to make it likely that girls will stay on into secondary education, we have to provide latrines and fresh water in schools so that they do not feel the embarrassment of the onset of puberty and menstruation. That is often one of the reasons why they leave school for ever and are subjected to an early marriage, which it would have been possible to avoid.

If we are to be transformative, UK support must make a difference, as it is doing. For instance, we supported the Ghana Government to remove health service fees for pregnant women, which led to a 50% increase in the uptake of maternal health services. Since May, the coalition Government have put girls and women at the very heart of development—they are front and centre of all our programmes; a stream running through everything that the Department does—and we are making strong progress. The Prime Minister has appointed my hon. Friend the Minister for Equalities, whom I am pleased to see in the Chamber today, as ministerial champion to lead our efforts to tackle violence against girls and women overseas. She is helping to ensure that we implement our important action plan.

Our work with multilateral partners is vital in helping us to achieve results for girls and women. The UK has played an integral, leadership role in the successful establishment of UN Women, which is why we have a place on the executive board. Let it be said that my right hon. Friend the International Development Secretary and the Conservative party have given full, unequivocal support, not only in opposition, but in government, to accelerating initiatives and leading as champions.

I was asked about the Secretary of State. He met the head of the agency, the former Chilean President Michelle Bachelet the day after her appointment in September and again at Davos in January. Baroness Verma attended the official launch of the agency in New York on 24 February, and everyone is actively encouraging donor support for it. We are in very close contact with the UN Women transition team and are offering at this point $1 million of transitional funding in the current financial year, a high level secondment and any other support that is asked of us, so that we can help to ensure that the agency gets off to the strongest possible start, which answers some of the questions that I was asked in the debate.

As was agreed with Miss Bachelet—the letter was handed over by Baroness Verma on 24 February—the core funding will be announced after the strategic plan, which will be available in June, to ensure that its priorities and the results that it will deliver are detailed. Members on both sides of the House have asked us to ensure that that funding is in place, as is right and reasonable. I hope that no one in the House regards spending UK taxpayers' money as necessary until there is a clear plan of the results that we seek to achieve for women and girls worldwide. In the meantime, as I said, the transitional funding of $1 million can be accessed, which will ensure fast progress, which is important.

On international women's day, DFID published its new strategic vision for girls and women—the various documents are on the website—setting out what the UK will do to achieve transformative changes in their lives, which includes saving the lives of at least 50,000 women in pregnancy and childbirth and 250,000 new-born babies; giving at least 10 million women access to modern methods of family planning; getting 9 million children into primary education, at least half of whom will be girls, and 700,000 girls into secondary education; working

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in at least 15 countries to prevent violence against girls and women; and getting about 2.3 million women access to jobs and 18 million women access to financial services.

It is right that the amendment was selected—I can see the hon. Member for Slough poised to intervene—but it is a matter for the House and not the Government to decide on Select Committee formulation and so forth, as I think she recognises. Therefore, considering how to take such a proposal forward is a matter not for the Government, but for House officials, who will no doubt canvass opinion. If I may give her some encouragement, the key to sustainable, transformational improvement for women and girls here and internationally is chasing those results, and to ensure that we drive for effectiveness. I fully recognise that audits can be a very useful spur for action—soundings will need to be taken on that—but one must recognise that audit processes look backwards. The question that we have been debating today, and on which there has been unanimity across the House, is about how we ensure that we are rooted for the future. Wherever we are on the spectrum, we need to ensure that the improvement is transformational, urgent and accelerated, and UN Women is probably one of the best ways of championing that across the world in all different countries' circumstances and cultures.

Fiona Mactaggart: I thank the hon. Gentleman for his generous remarks, and I have been heartened by the support from across the House for my proposal. However, I accept that it is a matter for the House and that we need to engage other people in these discussions, so I intend to withdraw my amendment to ensure that we can finish the debate in the tone in which we have conducted it—absolutely unanimously.

Mr O'Brien: I am deeply grateful to the hon. Lady, because she has taken the sense of the House in how the debate has been conducted. We have heard not just excellent speeches, but a great sense of determination to make this new step work in a much more transformational way than before. Without question, Government policy, DFID and other Departments recognise that to achieve the results in empowering girls and women here and across the world, we have to increase the opportunity for girls and women to make informed choices and control the decisions that affect them. We need the laws to protect their rights, and we need to increase the value placed on them by society and the boys and men around them. We will know that we have succeeded only when women and girls themselves tell all of us—that is women and men—with confidence that their lives have improved sustainably and will continue to improve. I fully endorse the motion on the Order Paper.

4.26 pm

Mrs Laing: I thank the Minister sincerely on behalf of the whole House—that is an unusual thing to happen—for his support for today's motion, for his and the Government's support for the new UN Women agency, and for how he has assiduously taken onboard all of today's points and made reference to them. No doubt he will take them on board in the future. That means that this has been a useful and constructive debate. I mention in passing that he deserves congratulation on what he has done not as a Minister—well, as a Minister as well—but long before that in setting up the excellent charity, the Malaria Consortium, which does a wonderful job in combating malaria, particularly in sub-Saharan Africa. We should bear in mind that it is mostly women and children who die of malaria. On behalf of the House, I praise him for the work he has done.

We have heard this afternoon many speeches in a serious debate on a serious motion that actually means something. For the sake of time, I will not refer to any speeches in particular, except for that from my hon. Friend the Member for Beckenham (Bob Stewart). It is important that we tell him that he is absolutely right; it is true that women are impossible, and it is entirely deliberate. We are also determined and never give up. *[Interruption.]* I think that was a "Hear, hear" from my hon. Friend.

I am sorry that I cannot support the amendment in the name of the hon. Member for Slough (Fiona Mactaggart). However, I agree entirely with the intention of the amendment, and she is right to put it before the House. She has drawn attention to the fact that it is up to all of us, as Members of Parliament, in every area in which we are working, and in every Department, to hold the Government to account in tackling inequality and injustice. The House has delivered a strong message this afternoon that this Parliament is determined to fulfil its international duties in driving forward the millennium development goals, by empowering women for the greater good not just of women, but of the societies everywhere in the world in which they live and where they can have influence.

Here at home, new Members of the House will not appreciate that in recent years we have made enormous breakthroughs. I pay tribute to some of the hon. Ladies in the Chamber this afternoon for their work in ensuring that gender equality is taken seriously in this place. It is not so long ago that it was not taken seriously. Some of us have had to fight very hard to get to where we are now. That does not mean that we have won—we have a long way to go—but now most Members of Parliament, if not all, see the point of marking international women's day, and that equality is worth it not just for its own sake, but for the sake of utilising the talents and abilities of the whole population of our country, not just half of it. The message is simple: where women are oppressed, society suffers; where women are set free, society prospers.

Fiona Mactaggart: I beg to ask leave to withdraw the amendment.

Amendment, by leave, withdrawn.

Question put and agreed to.

Resolved,

That this House recognises that around the world women continue to suffer discrimination and injustice simply because of their gender; notes that underlying inequality between men and women is the driving force that results in 70 per cent. of the world's poor being female; recognises that empowering women will drive progress towards all the Millennium Development Goals; welcomes the launch of UN Women, the UN Agency for Gender Equality and the Empowerment of Women, on 1 January 2011; recognises that the agency is an example of UN reform to improve efficiency and co-ordination; and calls on the Government to provide support to the new agency to ensure it has the resources required to end the discrimination that keeps millions of women in poverty.

Inter-Parliamentary Scrutiny (EU Foreign, Defence and Security Policy)

Madam Deputy Speaker (Dawn Primarolo): I should inform the House that the amendment in the name of the hon. Member for North Dorset (Mr Walter) has not been selected.

4.32 pm

Richard Ottaway (Croydon South) (Con): I beg to move,

That this House pays tribute to the work of the European Security and Defence Assembly and the members of the UK Delegation; notes the continuing need for coordinated scrutiny by national parliaments of intergovernmental activities under the EU's foreign, defence and security policies; welcomes the report of the Foreign Affairs Committee, Future inter-parliamentary scrutiny of EU foreign, defence and security policy, HC 697; and approves its approach to delivering that scrutiny.

Having just listened to the passionate speech by my good friend the hon. Member for Epping Forest (Mrs Laing), I feel a bit of a spoilsport in bringing on such a dry subject, but that is democracy. Anyway, I congratulate her on her speech.

The Select Committee on Foreign Affairs report that we are debating today puts forward a proposal for intergovernmental scrutiny of the EU common foreign and security policy, including the common security and defence policy, following the demise of the Western European Union, including its parliamentary assembly, in mid-2011. Along with other national Parliaments, this House finds itself having to have this debate today because it was left somewhat in the lurch by the decision of national Governments to dissolve the Western European Union. The WEU has carried out active and serious international parliamentary oversight of the EU's common security and defence policy for many years. I would like to take this opportunity to pay tribute to the work of the assembly and the UK delegation to it. In particular, I would mention my hon. Friend the Member for North Dorset (Mr Walter), as the president of the assembly and leader of the UK delegation.

Following the decision to dissolve the WEU, member state Governments, including in the UK, have encouraged national Parliaments to come up with successor arrangements to the WEU assembly, to provide continuing inter-parliamentary scrutiny. In response, an ad hoc committee was formed comprising me, as Chairman of the Foreign Affairs Committee, my hon. Friend the Member for Stone (Mr Cash), as Chairman of the European Scrutiny Committee, my right hon. Friend the Member for North East Hampshire (Mr Arbuthnot), as Chairman of the Select Committee on Defence, my hon. Friend the Member for North Dorset, and Lords Roper and Teverson, as Chairs of the House of Lords Select Committee on European Union and its Sub-Committee on Foreign Affairs, Defence and Development Policy. We met and decided to refer the matter to the Speaker and invite him to make an appointment to chair an ad hoc committee to address the issue.

Somewhat to our surprise, the Speaker declined to get involved in this debate. As a result, the ad hoc committee met again and considered what proposals to put forward. A proposal, which subsequently became the basis of the report that we are debating today, was agreed by the Members present and endorsed by their Committees. Unfortunately, due to an administrative cock-up, my hon. Friend the Member for North Dorset was not present, but his evidence was taken into account as, fortunately, he had given us written evidence. We decided that the best way to proceed would be for the two Houses to adopt a formal public position on the arrangements for the WEU Assembly's successor, and for a relevant proposal to be presented to each House in the form of a Select Committee report.

The House is today being asked to endorse an approach to this issue which is not the Foreign Affairs Committee's alone; our deliberations form the basis of the report, but it has been endorsed by three Select Committees: the FAC, the European Scrutiny Committee and the Defence Committee. I am grateful to those Committees, their Chairmen and their members for their co-operation. The House should also be made aware that the proposal being put forward in the FAC report has also been put forward by the House of Lords European Union Committee in a report of its own. That Committee will ask the full House of Lords to endorse its report, but it is waiting for the Commons to reach a decision and to act.

Mr Christopher Chope (Christchurch) (Con): I have been looking at the formal minutes of 12 January of the decisions to which my hon. Friend has referred. Can he explain why an amendment proposing that this matter should be decided on a free vote was turned down by the Committee on his casting vote? Surely, if ever anything was free vote business, it is the question of whether Parliament supports the line being taken by the Select Committee.

Richard Ottaway: I just took the view that a free vote was not appropriate. It was a simple subjective judgment; it was as straightforward as that.

The key objective of the report and of the motion before the House today is to ensure that the WEU Assembly has a successor. We want scrutiny of intergovernmental activity to continue with national Parliaments in the lead. I say to the House, however, that if national Parliaments do not get their act together, there is a risk that inter-parliamentary scrutiny will wither and that the European Parliament will, by default, take over the main role in this field. There is therefore a responsibility on national Parliaments in this respect.

Mr James Clappison (Hertsmere) (Con): My hon. Friend is making an important point. Does he agree that, like it or not, there is going to be much more to scrutinise, owing to the provisions of the treaty of Lisbon, the advent of the European External Action Service and the new clause in the Lisbon treaty that provides for additional measures in the field of common European defence?

Richard Ottaway: My hon. Friend is absolutely right. I shall allude obliquely to the point that he has made. While he was making his intervention, I had the opportunity to consider further the intervention of my hon. Friend the Member for Christchurch (Mr Chope). I can inform him that I decided that the report should remain silent, rather than making any recommendation on whipping.

The point that I was about to make is that we want co-operation with the European Parliament, and, in our proposals, it would be a full member of the proposed conference. Like it or not, the Lisbon treaty has made

[Richard Ottaway]

the European Parliament a more powerful actor in certain areas of EU external relations. Whatever our views on the European Parliament, it would be in everyone's interests for national Parliaments and the European Parliament to work together in this context, but—and it is an important "but"—decision making in the common foreign and security policy remains intergovernmental, and inter-parliamentary scrutiny of that decision making must reflect that. That is the basis of the proposal put forward in the report. National Parliaments would remain clearly in the lead, with the Parliaments of the rotating EU Council presidency countries chairing the proposed conference and taking organisational responsibilities.

Dr Andrew Murrison (South West Wiltshire) (Con): It is all very well having scrutiny, but if it does not lead to action, it is fairly pointless. Will my hon. Friend note that, on 19 February 2009, the European Parliament decided, by resolution, to have something called Synchronised Armed Forces Europe, which would introduce something that looks remarkably like a military covenant that has been codified? This links into the point made by my hon. Friend the Member for Hertsmere (Mr Clappison). As we debate these subjects in the House, and as we do so even more in the future, our debates could be eclipsed by what is going on in Europe, yet the House has not, to my knowledge, debated the decision of 19 February 2009.

Richard Ottaway: I think I follow my hon. Friend's point. My point is that unless we get our act together so that Parliaments across Europe adopt the proposals, there will be no counterweight to what is coming from the European Parliament, to which he just referred.

Mr Robert Walter (North Dorset) (Con): I am grateful to my hon. Friend for giving way; I might be able to help him. Early in 2009, the European Parliament passed a resolution, paragraph 74 of which

> "Recalls that the European Parliament is the only supranational institution with a legitimate claim to exercise democratic supervision over the EU's security and defence policy".

Richard Ottaway: I am sorry, but I missed the beginning of my hon. Friend's intervention. Will he clarify who made that point?

Mr Walter: It was made in a motion to the European Parliament, which was then passed.

Richard Ottaway: The European Parliament is free to pass all the motions it likes. The truth of the matter is that the Lisbon treaty invites national Parliaments to exercise a scrutiny function over European foreign, defence and security policy. What we are doing is putting forward a proposal. If we cannot agree on it, we cannot influence the debate—going on in Belgium, not in Brussels—and we will not have a seat at the table. What I hope will happen today is that the UK Parliament will come up with a proposal to lead the charge in providing a counterweight to the European Parliament.

Mike Gapes (Ilford South) (Lab/Co-op): The hon. Gentleman is aware that these discussions have gone on for quite a long time. In fact, they pre-date the re-establishment of the Foreign Affairs Committee after the last election. I was involved in discussions in late 2009 and early 2010. I would like to stress that this is a very important statement of intent by our national Parliament to say to certain people in the European Parliament who have certain aspirations, "Get your tanks off our lawn; national Parliaments are in the lead on this matter, and we are going to remain in the lead on it. We are working with you, but you are not going to get away with the claim that the European Parliament is the sole democratic institution."

Richard Ottaway: The hon. Gentleman makes his point eloquently. It is an important subject. Perhaps 10 years ago, this debate would have taken place in a packed Chamber, which illustrates how the world has moved on in considering some of these issues.

Dr Murrison: In support of the point made by the hon. Member for Ilford South (Mike Gapes), I note that Guido Westerwelle said at the Munich security conference in February last year:

> "The long-term goal is the establishment of a European army under full parliamentary control."

I share the dismay that today's Chamber is not full with Members concerned about such remarks being made by very senior politicians in Europe, and particularly in Germany.

Richard Ottaway: My hon. Friend makes his point well and I rather share the sentiments behind it. For the benefit of those who bring up illustrations of the weight that the European Parliament places on these issues, however, may I draw attention to some of the details of the Foreign Affairs Committee's report?

Mr Wayne David (Caerphilly) (Lab): Before the hon. Gentleman moves on from consideration of the European Parliament I must say that I take the points that a number of Members have raised about it. I find the recommendation before us somewhat surprising in its suggestion that the European Parliament should be involved in the new body, which should be for national Parliaments primarily. Would it not be better simply to acknowledge that the European Parliament has its own distinct mode, but that national Parliaments have theirs as well?

Richard Ottaway: It was felt that the European Parliament has some expertise in this area, but the hon. Gentleman leads me neatly on to the details of our proposals that I was about to set out. The European Parliament would have the same sized delegation to the proposed conference as all other Parliaments, which is six members. With the 20-plus members of the EU each having six members, and only six from the European Parliament, it is clear that the European Parliament will not be in a dominant position. I will come back to the rival proposal in a few moments.

What is proposed is that, as set out in the Lisbon treaty, we establish an EU inter-parliamentary conference on foreign affairs, defence and security, to be known as COFADS, which would meet twice a year. Its members would be the EU national Parliaments and the European Parliament; the Parliaments of the EU candidate countries—Croatia, the former Yugoslav Republic of Macedonia, Iceland, Montenegro and Turkey—would be invited to attend as observers. The conference would be able, but not obliged, to adopt conclusions by consensus, which would not be binding on participants or their Parliaments. It would replace the current informal conferences of Foreign Affairs Committee Chairs and Defence Committee Chairs, known respectively as COFACC and CODCC.

The urgency of today's debate is connected with the fact that the Assembly of the Western European Union has already held its last regular plenary session and will hold an extraordinary final session in May. The forum that is trying to establish agreement on a future inter-parliamentary scrutiny committee is the EU Speakers' conference, which will meet on 4 and 5 April. It will consider a proposal presented by the Belgian presidency, on which comments are invited. They must be submitted by 14 March, hence the need for the debate to be held today.

The Speakers' conference is already aware of the Foreign Affairs Committee report and the parallel report from the House of Lords. If the House of Commons approves the Foreign Affairs Committee report today, we will of course make that known to the conference, and the Speaker or his representative at the conference will be able to refer to the motion. Given the United Kingdom's importance in relation to European foreign, defence and security issues, the express view of the Westminster Parliament could be expected to carry considerable weight.

The Belgian presidency proposal—the rival proposal—would put the European Parliament in a stronger position than the proposal in the FAC report. Under the Belgian proposal, the European Parliament would be able to send up to a third of the participants in the new conference. It would co-chair the rotating presidency country Parliament, and it would provide the secretariat. In my judgment, that is not the kind of national Parliament-led forum that we want. It is not in keeping with the intergovernmental nature of the common foreign and security policy. Today's debate, and the motion, constitute a key part of the effort to get that message across to the Speakers' conference.

The FAC report has been widely circulated, and efforts are under way to seek support actively. I am able to report, with pleasure, that either through the passage of resolutions or through correspondence, the French, Swedish, Czech and Portuguese Parliaments, or committees thereof, have already indicated their support for the model proposed in the FAC report rather than the proposal from the Belgian presidency. It would therefore be a matter of some international difficulty, not to mention embarrassment, if the House were to decline to endorse the approach that we have taken.

Mr Chope: Is not the problem with the approach being taken by my hon. Friend and his Committee that it excludes parliamentarians from non-EU European NATO countries, whose inclusion was a specific requirement laid down by the Minister for Europe when he first responded to this process?

Richard Ottaway: My hon. Friend has made a good point. The candidate countries will, of course, be invited to attend as observers and to participate fully. Given that there will be no votes in the committee, they would in practice be fully engaged.

Mr Chope: I think that my hon. Friend has missed the point. We are not talking only about candidate countries; we are also talking about non-EU members of NATO, such as Norway. I am not aware that Norway has any aspiration to join the EU.

Richard Ottaway: My hon. Friend is quite right. There is also the question of Albania, which is to be resolved but which is one of the issues that the Speakers' conference will have to address.

I leave it to the Minister to set out the Government's position, but I will say that the Minister for Europe participated in several of the meetings that I have held with my colleagues on this issue. I thank him for his co-operation, and thank his officials for their help.

When national Governments disbanded the WEU, they also effectively withdrew their funding and left Parliaments responsible for finding the resources that would enable them to continue their inter-parliamentary scrutiny. In formulating our proposals for a successor, we have had our eye very much on the international budgetary situation, and the need to have scrutiny while setting that against considerations of cost and the risk of being seen to be establishing a new EU talking shop. Keeping costs to a minimum has been a guiding principle of our proposals, and that underpins our wish to see as much as possible done through existing institutions, the national Parliaments and the COSAC secretariat.

That is the approach that the Foreign Affairs Committee considers appropriate, and I urge the House to support the motion.

4.50 pm

Mr Denis MacShane (Rotherham) (Lab): This really is a pretty shoddy second-rate shambles. We are going to betray the Norwegians, our closest allies and friends, we are reducing the Turks, the biggest single military contributor to NATO in terms of personnel, to observer status—I suppose they can bring in the coffee—and we have not got support from one major EU country. The Chairman of the Foreign Affairs Committee rattled off a few—

Mike Gapes: Is France not a major country?

Mr MacShane: France has only just rejoined NATO. It does not have quite the same weight in NATO councils as ourselves, Germany and Italy. We have a real problem.

We could have been a lot more robust about preserving the Western European Union. The idea was put to me when I was a Minister, but it was one of those topics that just get put back in the box in the hope that it dies. The last Labour Government and their Foreign and Commonwealth Office team should not be awfully proud of that. The WEU was not the greatest organisation in the world, but it did bring together serious, real-life parliamentarians from countries that were directly involved in military activities. Instead, we have now got an absolute disaster of a sequence of proposals, of which I worry most about the proposal from the presidency of the EU, which is currently held by Belgium. I do not know where that proposal comes from because Belgium does not have a Government to put a proposal forward.

We heard some interesting comments in this week's debate on the EU referendum Bill from the hon. Member for Stone (Mr Cash), the Chairman of the European

[Mr MacShane]

Scrutiny Committee. He started animadverting on something called a non-paper and treated the concept with immense scorn, but a non-paper or aide memoire is quite a common bit of diplomatic terminology. However, this is the first time that the current House of Commons has had to deal with a very major proposal relegating its importance, and coming from a non-Government.

I hope we can be robust on this issue, because let us be quite clear: the Belgian presidency proposal sets up a new committee of which six members will come from the Westminster Parliament—both Houses—and 54 from the European Parliament, so it will have nine times more representatives on the committee. Having spent some time in the couloirs of European Union decision making, let me assure Members that a proposal put forward by the country holding the EU presidency carries a lot more weight than a resolution of any particular committee of any particular national Parliament, much as we all respect, love and admire our own Foreign Affairs Committee.

Mr Chope: The situation is even worse than the right hon. Gentleman describes, because the Belgian presidency proposal is that each Parliament would have four representatives, while the European Parliament would have 54.

Mr MacShane: There we are. I never get to eat as many Belgian chocolates as I would wish, and the amount is going down minute by minute. I thought the figure was six, but now it is four, which amounts to 13 or 14 times less representation than that of the European Parliament.

The Foreign Affairs Committee report is what the French would call a nombriliste discussion, which is to say a lot ~~of~~ navel gazing. It is a discussion about different bits of the axis between your Chair, Madam Deputy Speaker, and the Woolsack. There is some reference to the Speaker not appointing a Chair. I am very interested in what the constitutional and parliamentary reasons for, or implications of, that are, but this is about what we say to each other in three Select Committees in this House and two in the other place. What is not on the record is what we should have been doing. We are utterly incapable of doing this, although we actually did start debating the matter a bit on Tuesday. I am talking about working out how we connect this House to other national Parliaments and parliamentarians in order to discuss EU business.

It is no use just sitting on endless piles of the *Daily Mail* and *The Daily Telegraph* in London or telling each other across the Chamber about these wretched things called the European Union and the European Parliament, which some hon. Members do not like. We need to reorganise how we link up with many like-minded members of national Parliaments to put in place a more effective national parliamentary network to look at how the affairs of the European Union can better mesh and integrate with the work of national Parliaments. That is because, in essence, a huge transfer of authority is taking place away from the now defunct WEU to the European Union and the European Parliament. We do, however, have the NATO Parliamentary Assembly, which is a very worthwhile outfit, to which many of the member states that will now be excluded can come and others can come by invitation.

We are seeing that Europe is completely unable to respond to the Libyan crisis in the southern Mediterranean with a degree of muscular soft power or slightly less than full military hard power. In our debates, we find that the new structure being proposed is expected to provide the European parliamentary supervision of exactly the decisions that are or are not being taken on Libya and the other north African countries in revolt. A Heads of Government meeting will take place tomorrow, and I wish the Prime Minister and the Foreign Secretary and his team well in coming up with a policy that can connect, but it will have to have some parliamentary oversight. We are already being told no to war. We are being told that NATO must not intervene. We can sense a protest building out there, whereby if this country were to be involved in some kind of decision, with or without UN sanctions, that might produce a public opinion backlash. Again, we have given up adequate parliamentary supervision and discussion of these issues. I pay tribute to the hon. Member for North Dorset (Mr Walter), who valiantly tried to keep the WEU alive, made all sorts of concessions and worked with colleagues, but was steamrollered by Whitehall.

Mr Walter: I thank the right hon. Gentleman for his kind words. This relates to the point about responding to a crisis such as the one in Libya. Let us suppose that we were to follow the Foreign Affairs Committee's recommendation, to which I shall refer in a moment, if I catch your eye, Madam Deputy Speaker. If that Committee had met three weeks ago, it would be another six months before it could express any opinion on our collective response to the Libyan crisis.

Mr MacShane: I accept that fully and it is true of all inter-parliamentary oversight committees. We are, willy-nilly, increasingly having to discuss how, collectively, at European level, we express our common foreign policy goals when we decide what they are. Yesterday, the Prime Minister slapped down the hon. Member for Wellingborough (Mr Bone) when he called for an in/out EU referendum. The Prime Minister said, "We are staying in the EU and that is it." I am glad that he said that after five years of encouraging the hopes of Eurosceptics, but if it is the case, this House has to work out how best to take part in debates and decisions on what Europe is going to do—we cannot wish it away.

I am not criticising the Chairman of the Foreign Affairs Committee or the officials who have worked on this report, because it is probably the best they could manage of a bad job, but it is exactly a reflection of our House's inability to network and create alternative sources of democratic parliamentary legitimacy and oversight for what is done at European level.

Mr Clappison *rose—*

Mr MacShane: I am trying to finish my remarks, but I shall give way one last time.

Mr Clappison: I am listening with great interest to the right hon. Gentleman. I agree with his analysis that more decisions are being taken at European level. Does he think that that process enjoys the democratic consent of the British people?

Mr MacShane: Until such time as we elect a Government—coalition or majority—who decide to withdraw from the European Union, I have to say yes. That is what the Prime Minister said yesterday: we are in the EU, we have to make it work and that is the end of the matter. We are in NATO, the World Trade Organisation, the convention on the law of the sea and lots of different treaty organisations that take decisions that impact on us and we have to make them work.

I am worried. One cannot call the WEU back into being but I am extremely worried that we are sending a signal to our friends, particularly in Turkey, about the reduction of their status on European defence matters, all the more so as the Mediterranean boils up, if I may use that metaphor. I resent deeply the message we are sending to Norway. Frankly, Albania needs to sort out its own parliamentary incoherence and misbehaviours before I am willing to pat it on the back, fond as I am of the Albanian people in that country and in Kosovo.

Twice in one week, with a small number attending—a worrying point—we have seen the absolutely wrong and incoherent way that this House of Commons deals with the European question. Until we have a proper debate and rethink our structures, we will always be running after the event and will have to try to persuade a non-Government not to push forward with a new structure that will reduce the Commons to bag-carriers for a much greater number of colleagues in the European Parliament.

5.2 pm

Mr Robert Walter (North Dorset) (Con): May I start by thanking my hon. Friend the Member for Croydon South (Richard Ottaway) and the Select Committee on Foreign Affairs for the work that they have done on this subject? As hon. Members will gather in a moment, I do not entirely agree with their conclusions, which are very similar to the work of Lord Roper and his Select Committee on the European Union in the House of Lords. May I also express a slight concern that a number of my colleagues who are members of the WEU Assembly, representing this Parliament, might have been here had it not been for the fact that we had only 48 hours' notice? I and my hon. Friend the Member for Christchurch (Mr Chope) were involved in other meetings and have had to return to take part in this debate. Let us move on, however.

I shall briefly give the background. In December 2009, I was telephoned by the hon. Member for Rhondda (Chris Bryant), the then Minister for Europe, who told me that he wanted to save €2.3 million, which was the United Kingdom's contribution to the WEU—to the whole organisation, not just the Assembly. The Assembly's cost to the United Kingdom was considerably less than that. The UK was therefore seeking to renounce the Brussels treaty.

Mr Clappison: Cost is a very important factor and we all need to consider carefully the costs of what we do. Has my hon. Friend seen the reports that the European External Action Service and the High Representative are taking on additional public relations consultants at a cost of €10 billion? Has my hon. Friend done any maths to see whether the cost to which he has just referred might be much less than the cost of some additional spin doctors for the EEAS?

Mr Walter: I can tell my hon. Friend that the entire global cost of the WEU organisation—the body located in Brussels as well as the Assembly in Paris—was considerably less than the figure he mentions for PR staff for the EEAS. In fact, the total bill to the United Kingdom Parliament for the Parliamentary Assembly was about €1 million.

Mr MacShane: Not even a banker's bonus!

Mr Walter: Indeed.

The WEU's history goes back to 1948 and the Brussels treaty. The treaty was amended in 1954, which is when the Assembly came into effect. One very good thing about the treaty is its article 5—a common defence pact that, as it is not in any way replicated in the Lisbon treaty, we will lose as a result of the WEU and Brussels treaty ending in June. The Assembly, which was part of the treaty, has evolved over the years and has been known as the European Security and Defence Assembly for some time. It has brought together parliamentarians from all 27 European Union member states as well as non-EU NATO members in Europe, which have had associate status within the body. As such, they have been able to speak and vote but have not contributed to the budget. Eventually, as a result of the discussions I have mentioned, on 30 March 2010—the very last day before the general election on which business could be introduced in the House—a written ministerial statement from the then Foreign Secretary indicated that the United Kingdom intended to withdraw from the Brussels treaty. I think the other signatories to the treaty must have had some notice of that because the following day all 10 of them indicated that they too would cease operations before the end of June 2011.

Those statements and a statement that the EU Foreign Affairs Council made a month later all paid tribute to the Assembly and said that its work should be continued by another inter-parliamentary body and that it should involve the non-EU NATO members in that parliamentary scrutiny. We all believed that was a way forward but, sadly, not much has happened since then. It has been a considerable frustration to me and my colleagues from all Parliaments across Europe that nobody has given any guidance on what we should do next. The EU Speakers Conference decided to take an initiative and ask its Belgian presidency to report on what the way forward should be. It was to report next month but, as we are all aware, Belgium had an election just after our election and although it took us five days to form a coalition, the Belgians are still working on it. As a result, there has been little action in Belgium on this matter.

However, our Select Committee on Foreign Affairs has produced a report, under the chairmanship of my hon. Friend the Member for Croydon South, and has—quite rightly, because it needs democratic legitimacy—put it before the House. In the report, my hon. Friend repeats an error to which I have just referred. Paragraph 3, on termination of the WEU, points out that

> "the then Government announced that it intended to withdraw…from the WEU"

and

> "commented that the WEU was 'no longer relevant to today's European security architecture'".

Richard Ottaway: That is a quote.

Mr Walter: It is an absolute quote and I am not sure that I agree with it. Although it is factually correct, I am not sure that the WEU was no longer relevant to today's European security architecture. We have just entered a number of agreements with France on defence, which are a form of what the Lisbon treaty calls "structured co-operation". But that is another matter.

The report notes that

> "the role being played by the Assembly did not justify its cost to the UK of over €2 million per year."

As I pointed out just now, the Assembly costs were not €2 million a year; they were barely €1 million to the UK.

The Minister of State, Foreign and Commonwealth Office (Mr Jeremy Browne): May I inform the House about the costs as I understand them? Annual membership of the Western European Union costs the British taxpayer €2.3 million, so after withdrawal the United Kingdom will no longer have to pay the full €2.3 million subscription, although it will continue to be liable for a share of the cost of WEU staff pensions. We will recoup some money from the sale of the WEU building in Paris, which the UK part-owns with other member states.

Mr Walter: I am grateful to the Minister for making those points. My point was that the €2.3 million is the cost of the WEU organisation, not the cost of the Parliamentary Assembly of the WEU, which is half that. I am delighted by the Minister's assumption that the United Kingdom will gain from the sale of the building in Paris, because there had been rumours that it was to be gifted to the French Government. As holder of the presidency of the Assembly, we took the precaution of having an independent valuation of the building; it is worth at least €50 million, so the UK should benefit somewhat from its sale.

The Foreign Affairs Committee has been diligent in looking at the structures. Paragraph 5 of the European Union Committee report refers to some of the existing structures:

> "We backed a 'conference of committees'-type institution to replace the WEU Assembly, comprising a combined and enlarged version of the current informal Conference of Foreign Affairs Committee Chairpersons (COFACC) and Conference of Defence Committee Chairpersons (CODCC)."

The only problem with that is that, to my knowledge, the Conference of Defence Committee Chairpersons has not met for at least the past two years, so we are not actually replacing an effective body.

Kate Hoey (Vauxhall) (Lab): It was interesting to hear that list of terminology. Does the hon. Gentleman agree that the only way forward for dealing with the European Union is to put the matter to the British people in a referendum, so that we can have a debate in this country and decide whether we want to stay in that hugely bureaucratic organisation, or leave it and become an independent country again?

Mr Walter: I am grateful to the hon. Lady for her intervention, although I think it goes a little beyond the scope of the motion. However, we and the Assembly of which I have the honour to be president are dealing with what are almost entirely intergovernmental structures consisting of European Union member states and other states in Europe such as Turkey, which has been mentioned several times, Norway or Iceland. We come together as willing partners in collective defence and security operations. Community institutions are not in any way relevant to our debate today; we are debating intergovernmental functions that are entered into freely.

My final point on the Foreign Affairs Committee report relates to the reference to the EU Speakers' Conference, which will take place in April. The Chairman of the Foreign Affairs Committee has already referred to the Belgian text—Belgium holds the EU presidency—which proposes an inter-parliamentary conference for common foreign and security policy and common security and defence policy, composed of delegations of the national Parliaments of EU member states. Paragraph 2 of that text suggests:

> "Each national parliamentary delegation shall consist of four members."

Paragraph 3 requests that

> "The total number of delegates from the European Parliament shall not exceed one third of the members of the Conference."

Therefore, if there are 108 members from national Parliaments, there will be 54 from the European Parliament.

On a reasonably rough approximation the UK and France together contribute around 60% of Europe's defence budget, and we will have eight votes between us. However, the European Parliament, which makes absolutely no contribution to Europe's defence budget, has no troops at its disposal, does not buy any aircraft carriers or other warships, aircraft or fighters, and has no troops deployed anywhere in the world, will have 54 votes. Is that the right proportion in terms of democratic accountability? I hasten to suggest that it is probably an imbalance. I am not averse to the European Parliament having some role and that its voice should be heard, but the presumption that its voice should somehow be considerably greater than that of the United Kingdom, France and others that contribute to Europe's defence is nonsense.

The Belgian text goes on to suggest:

> "The Conference shall have its seat in the European Parliament in Brussels. Meetings shall be organized twice a year in Brussels or in the country holding the rotating Council Presidency...The meetings shall jointly be presided over by the national Parliament of the Member State holding the rotating Council Presidency and the European Parliament."

That means that responsibility is now to be divided 50:50. Paragraph 9 proposes:

> "The secretariat of the Conference shall be provided by the European Parliament."

The agenda will be set by the European Parliament, the conference will meet in the European Parliament and one third of the conference's members will be Members of the European Parliament. My view is that that body will simply be an extraordinary meeting of the European Parliament's Foreign Affairs Committee: twice a year, it will invite Members of national Parliaments to come along to Brussels to hear what it has been doing. It will not be exercising genuine parliamentary scrutiny.

Mr Chope: My hon. Friend makes an excellent point. Does he accept that what is proposed is inconsistent with article 10 of protocol 1 of the treaty on the European Union, which mentions a conference of parliamentary committees submitting contributions for the attention of the European Parliament? That is completely different from what is being proposed by the Belgian presidency.

Mr Walter: My hon. Friend is absolutely right. I do not want to become too legalistic, but I will refer to a number of principles that I and colleagues have laid down that suggest we should have a much stronger inter-parliamentary standing conference. The principles on which we based that suggestion are all entirely consistent with the Lisbon treaty, which I know my hon. Friend and others were not enthusiasts for; none the less it is where we are.

Article 12 of the Lisbon treaty states:

> "National Parliaments contribute actively to the good functioning of the Union."

Article 10 of protocol states:

> "A conference"—

which my hon. Friend has just referred to—

> "of Parliamentary Committees for Union affairs may…organise interparliamentary conferences on specific topics, in particular to debate matters of common foreign and security policy, including common security and defence policy."

The most important words in the treaty are in declaration 14, which states:

> "The Conference also notes that the provisions covering the Common Foreign and Security Policy do not…increase the role of the European Parliament."

In fact, the European Parliament has therefore no new competence as a result of the Lisbon treaty, but if we read the Parliament's documents we find that it assumes that it does have that new role. Even if it does not, it is jolly well going to grab it and take it, because national Parliaments are doing nothing about it. That is why we need a strong functioning body. Madam Deputy Speaker, I know that you do not propose to call my amendment, but the spirit of my proposal was that we should have a much stronger body than that which the Foreign Affairs Committee proposes.

We propose a standing conference of inter-parliamentary representatives, which would carry on the work of the European Security and Defence Assembly, the Assembly of the Western European Union, enabling us to have effective inter-parliamentary scrutiny that would embrace at least the ground that it covered and include the five non-EU European NATO members, who provide considerable support to the work of the European Union and, collectively, to European defence.

We believe that that inter-parliamentary standing conference could be based in Brussels. It could have been based in Paris, but the Minister tells us that we are going to sell the building, so it cannot. The conference's prime role would be to engage on European foreign affairs and defence issues with the Council of the European Union, its supporting and executive agencies, member Governments and Parliaments as appropriate. Recommendations and opinions would be made, but they would not necessarily bind national Parliaments.

The Council of the European Union, and especially the High Representative of the Union for Foreign Affairs and Security Policy, would make regular reports to that standing conference.

Mr Clappison: My hon. Friend has made some very powerful points throughout his speech, and the last two have been the most powerful of all. Is there not a danger that, if there is no such body as he describes, there will be a gap into which the European Parliament will be unable to resist the temptation to move?

Mr Walter: My hon. Friend is absolutely right, because the alternative, which is before us today, is a body that would meet for one-and-a-half days every six months. The security and defence sub-committee of the European Parliament's Foreign Affairs Committee meets approximately every fortnight, and it has a large secretariat and research staff working for it. It will easily work its way in to provide such scrutiny and, because it is located in Brussels, summon the High Representative or the director-general of the EU military staff, who until recently was a British general and who has now been, I am pleased to say, promoted to the office of Black Rod in the other place. That alternative would be an absolute negation of what we believe to be parliamentary scrutiny, in that the European Parliament would take on that role.

Before I sit down, I want to deal with the question of funding, because that is the one argument against our having such a standing conference, which would have a small secretariat and perhaps two committees as opposed to the existing Assembly's six. Staff at the existing Assembly have worked out the following figure in detail, however, and the feeling is that we could run an entire inter-parliamentary body, based in Brussels with a small specialist secretariat, for about €1.5 million. That would mean, spread out among the 27 member states, that the contribution of the United Kingdom would probably be about €100,000 at the most. Let me tell the House that in the 2011 Budget, this Parliament's contribution to the NATO Parliamentary Assembly—of which I have no criticism—was €465,845, and that was just towards its administration. The contribution to the Parliamentary Assembly of the Organisation for Security and Co-operation in Europe for this current year is €267,035. The contribution towards our proposed standing conference—a body to scrutinise areas of activity where our armed forces are putting their lives at risk—would have been barely €100,000, or considerably less than £100,000. I therefore do not believe that cost should be the determining factor in this.

We should have a strong inter-parliamentary conference that involves Members of national Parliaments who have an interest in defence matters, drawn from our national foreign affairs and defence committees, among others. None of the members of the current Assembly, bar two or three, are members of their national committees, but that does not mean that they do not have expertise in these areas. The acknowledged need for continued inter-parliamentary scrutiny of common security and defence policy involving the 27 member states, plus the five non-EU members, is beyond question. As the Foreign Affairs Committee has indicated, there are different ways of approaching this question, but we need a much stronger framework within which to work.

5.27 pm

Mike Gapes (Ilford South) (Lab/Co-op): I have some sympathy with the hon. Member for North Dorset (Mr Walter), who obviously feels passionately about the organisation that he has been chairing, which is about to go out of existence. I can understand his frustration. I appreciate many of the points that he

[Mike Gapes]

made, particularly his attack on those in the European Parliament whose view of their organisation is that it is somehow superior to national Parliaments and should be the body that scrutinises defence, security and foreign policy matters to the minimisation, or potential exclusion, of national Parliaments. That is something that we have to confront.

This debate is really about how we put into practice the Lisbon treaty requirement that there be a mechanism within the European Union based on national parliamentary committees coming together and co-operating to deal with matters that are dealt with on a national co-operative basis, not a communautaire basis. There is a deep philosophical difference in the views of those Members of the European Parliament. The Chairman of the Foreign Affairs Committee and I were in discussion with them when we visited Brussels in September. Some of them have a view, and a model, that goes even further than the paper produced by the Belgian Council presidency—a federalist view that says that the European Parliament is the supreme democratic body on all matters to do with the European Union.

We need to be very clear about this. There will be a negotiation, and the position that our Parliament and other national Parliaments put forward will probably not be its final outcome. It is therefore important that we lay down some principles about where we are starting from. The work that the Foreign Affairs Committee has done in this Parliament began in the previous Parliament when I was discussing this with the then Chairman of the European Scrutiny Committee, my hon. Friend the Member for Linlithgow and East Falkirk (Michael Connarty), just before the general election. We had been presented with this situation, and we were trying to find a way to secure some accountability and a mechanism, knowing that Parliament was going to be dissolved and that it would be some months before new Committees were established. We were trying at that point to get some initiatives based on the successful work over several years of the Conference of Foreign Affairs Committee Chairpersons, or COFACC, and the Conference of Community and European Affairs Committees of Parliaments of the European Union, or COSAC, which are the two bodies that bring together the representatives of Foreign Affairs Committees and European Scrutiny Committees periodically to discuss common concerns. That is not a perfect model and it probably needs some beefing up and development.

We must be aware of the danger that there are people in the European Parliament who want a permanent, well-funded secretariat based in the European Parliament, serviced by people who serve its Committee on Foreign Affairs. Those people have an ideological dispensation towards a certain approach to foreign, security and defence policy matters. We need to find a mechanism that takes account of the clear point in the Lisbon treaty that the body should be based not on the European Parliament, but on bringing together the national Parliaments. After it is established, the national Parliaments might decide to co-opt or bring in representatives who attended the meetings of the assembly of the Western European Union. They might also decide, in time, to establish a secretariat of their own to assist the rotating troika model that we have put forward in the report. Basing the mechanism on the rotation may well not be perfect. From time to time, there is a presidency country that has more resources and a greater ability to host such meetings.

From my experience of attending COFACC meetings over five years, that is a very good model. We did not have interminable discussions over the entrails of commas and full stops in meaningless resolutions that would never go anywhere, but had a real exchange of views. People such as Mr Solana, Cathy Ashton, and the Foreign Minister or Prime Minister of the country that had the Council presidency came before us, answered questions and were accountable to the spectrum of opinion from the 27 member states.

Today, we frankly either have to agree to this report or have no position. If we have no position, we are effectively undermining our friends in like-minded countries. I had discussions with the Speaker of the Portuguese Parliament in January last year when the Foreign Affairs Committee visited Lisbon and when this idea was first developed. Concerns have been expressed in like-minded European Union countries about the aggrandisement, or even quasi-megalomania, of some in the European Parliament in relation to how these matters should go forward post the Lisbon treaty. If we have no position, we will undermine the work of our partner countries that are on the same wavelength as us, to which the Chairman of the Foreign Affairs Committee referred. I intervened on my right hon. Friend the Member for Rotherham (Mr MacShane), who is not present at the moment, to point out that France is not an insignificant country in the European Union. We have friends in a diverse group of countries, including Finland and Portugal, who hold similar views about how defence, security and foreign policy should be scrutinised and how accountability should be dealt with.

We have not reached the final position, because there will have to be negotiation and there will probably be an almighty row. People in the European Parliament who do not like the suggested model will clearly resist it. Some countries, such as Belgium, will do so—I could make a joke about chocolate soldiers, but I will not, because it is an old joke from a previous decade. The Belgians are not alone—there are people in Germany, Italy and other European countries who have a similar attitude to the European Parliament and its aspirations. We need to come to a view today that helps the debate and clarifies it for the future.

Mr Chope: We do not need to come to a view today in adopting the Committee's report. At the beginning of April, Mr Deputy Speaker, the hon. Member for Ribble Valley (Mr Evans), will represent Mr Speaker at the conference. I am sure that he will faithfully reflect the balance of opinion in today's debate when he represents this Parliament at that conference. It will not be suggested that we are not doing anything, because we are achieving a lot through today's debate.

Mike Gapes: I would rather we had a clear position to guide our representatives when they take part in those negotiations. Of course, a negotiation ultimately leads to some movement and compromise. From the thrust of the remarks of the hon. Member for North Dorset, I believe that although he is not entirely happy with the report, he is more happy with it than the approach that came from the Belgian Council presidency.

We have a choice today. I have to declare an interest as a member of the Foreign Affairs Committee who was involved in the discussions on the matter in the early days, before the report was agreed. Nevertheless, I am very pleased that the Committee's members from three parties have reached a consensus view, which also reflects the view expressed by the Committee in the last Parliament.

We have had experience of attending seminars organised by the European Parliament from time to time. National parliamentarians are sat at the end of the row, then some man who has been elected with about 3% of the popular vote in his country proceeds to denounce the views of a whole delegation of national parliamentarians, who collectively might represent 95% of the popular vote in their country. That is the nature of the debates in the European Parliament on these matters.

We, as national parliamentarians, have to take the political heat on the doorstep when matters of life and death are involved. We have to debate issues such as Afghanistan, whether we should establish no-fly zones, humanitarian interventions and the responsibility to protect people in north Africa. The people who have to be held democratically accountable for those matters are not the Members of the European Parliament but the members of the national Parliaments.

I am pleased that my right hon. Friend the Member for Rotherham has rejoined us. One thing I agree with him about—he will be able to read what I said earlier about where I disagree with him—is that we in this House do not scrutinise European matters adequately. We need to get our act together rapidly, because those issues become more and more important. The report is at least an attempt, with co-ordination between different Select Committees and our colleagues in the other place, to get a common British view to put into the important international process. I therefore hope that the House will endorse the report today.

5.38 pm

Mr Wayne David (Caerphilly) (Lab): I begin on a lighter note. Earlier today I was talking to my good friend and colleague, my hon. Friend the Member for Newport West (Paul Flynn), and he told me that Lord Tomlinson, when he was a Foreign and Commonwealth Office Minister in 1978, had the pleasure of speaking to the WEU Assembly. There was a point of disagreement, and he shouted out that it should be wound up. The chant came, "Never, never, never!" Some 33 years later, Lord Tomlinson has apparently had his wish.

I am a big advocate for, and supporter of, parliamentary scrutiny of international, and particularly European, affairs. The European Scrutiny Committee does excellent work, which we saw very clearly on Third Reading of the European Union Bill, and the Foreign Affairs Committee does an excellent job. I was a member of the ESC for a number of years, so I can vouch for its excellent work.

As a member of the ESC, I was also a member of COSAC. The role of national Parliaments was enhanced by the Lisbon treaty, and it is important to stress that there are opportunities for Parliament to increase its role and effectiveness in European affairs. Parliament has a lot still to do—it needs to get its act together—but a step forward has been taken. However, although scrutiny of European legislation in national Parliaments is important, it is not enough. We need to co-ordinate and co-operate with the Parliaments of other member states. I am pleased that that is beginning to happen through COSAC, which has become more effective over the past few years.

With the end of the WEU and its parliamentary Assembly, it is important that the good work that COSAC has established is built on and extended. That is why the Opposition warmly support the proposal for the EU inter-parliamentary conference on foreign affairs, defence and security to meet twice a year and to work closely with COSAC.

The Opposition also agree entirely with the three fundamental points set out in the report: that the role of national Parliaments should be explicitly recognised and that they should have meaningful oversight of EU foreign, defence and security policies; that value should be added to the individual work of national Parliaments; and that the arrangements should be inter-parliamentary. The last of those points recognises, as hon. Members have said, that common foreign and security policy, and common security and defence policy, essentially involve intergovernmental co-operation at European level. It therefore makes sense for national Parliaments to take the lead role in scrutiny and oversight.

I have a couple of points in response to the debate, and perhaps the hon. Member for Croydon South (Richard Ottaway) will respond to them when he concludes. First, as a former Member of the European Parliament, I am not against its involvement, but I take on board the comments of my hon. Friend the Member for Ilford South (Mike Gapes). Unfortunately, there is a tendency inside the European Parliament to push for more influence all the time, irrespective of the subject area. That is certainly true of defence and foreign affairs. I am not saying that the European Parliament should be unable to express an opinion and through its Members exert influence, but questioning whether it is appropriate for the Parliament to send its Members to COFADS.

The justification for that could be that the Parliament is involved in COSAC, but we are talking about intergovernmental co-operation. Therefore, the emphasis in COFADS should be entirely on national Parliaments coming together. Will the hon. Member for Croydon South comment on that when he concludes, because it is important to bear that in mind?

The Opposition entirely agree that observers from national Parliaments should attend COFADS when it meets twice a year. I also welcome the fact that applicant member states of the European Union should send observers. However, I point out that although countries such as Croatia, the former Yugoslav Republic of Macedonia, Iceland, Montenegro and Turkey have the facility to send observers, for some strange reason Norway and Albania will be formally excluded from sending representatives. It is unfair and unreasonable not to have a bit more flexibility, because they are, after all, European members of NATO. I ask for that to be looked at once again.

In conclusion, by and large we are strongly in favour of the proposals put forward. I certainly take the point that what we have before us is far better than the suggestion from the Belgian presidency, which I view with concern. We believe that the administrative proposals set out are sensible and appropriate, and that the costs are being kept to a minimum. That is appropriate and

[Mr. Wayne David]

correct. Equally, it is important to recognise the good work done by COSAC, and we want to ensure that the proposal from the House seeks to build on that.

4.46 pm

The Minister of State, Foreign and Commonwealth Office (Mr Jeremy Browne): Thank you, Madam Deputy Speaker, for giving me an opportunity to respond to today's important debate. I notice on the Order Paper that this afternoon the House had the opportunity to consider the question, "What do Ministers do?" The House might find it helpful, therefore, to know that the Minister for Europe, at this very moment, is meeting the Danish State Secretary and other parliamentarians in Copenhagen to discuss the Danish presidency of the European Union in 2012, and other EU and NATO issues. That is why, despite not having specific departmental responsibilities for Europe, I have the opportunity to speak on behalf of the Foreign Office this afternoon.

I thank and pay tribute, in particular, to the Chairman of the Foreign Affairs Committee, my hon. Friend the Member for Croydon South (Richard Ottaway), for all his work, and to other Members who have contributed this afternoon, including the right hon. Member for Rotherham (Mr MacShane), the hon. Member for North Dorset (Mr Walter) and the former Chairman of the Select Committee, the hon. Member for Ilford South (Mike Gapes). I am grateful to them all for their insights into the future workings of, and arrangements for, scrutiny of defence matters across Europe, and their experiences of how it has functioned in the past.

In getting to this point, I welcome the positive dialogue that the Government have enjoyed over the past year with interested MPs and peers on this issue. I know that the Minister for Europe is grateful for the close engagement and leadership of the Chairman of the Foreign Affairs Committee and the Chairman of the European Union Select Committee in the other place. Since its formation after the second world war, the Western European Union Assembly has served to promote consultation and co-operation on defence and security matters in western Europe. I pay tribute to the efforts of Members here and in the other place, both past and present, who have played an important role in pursuing United Kingdom and European interests through the Assembly.

The closure of the WEU and its Assembly does not mean that member states do not recognise the value and importance of parliamentarians taking part in debate with their peers on European defence. The Government attach importance to parliamentary scrutiny of the EU's common security and defence policy, and want to ensure that the cross-European parliamentary debate on European defence issues currently performed by the WEU Assembly continues. Inter-parliamentary discussion serves to enhance and enlighten the national scrutiny work of Parliaments and complements the breadth of knowledge that already exists in the House. That is a good thing, so we wish this overall endeavour well.

Let me be clear about the Government's role in the process. In March last year, Governments across Europe decided to close the WEU, the bulk of its functions having already been transferred to the European Union. In doing so, we recognise the value of continuing inter-parliamentary debate on European defence and security policy. To ensure that a future forum could be established to facilitate that, we have worked to help discussions with interested parliamentarians on how this might be taken forward. During those discussions we set out the Government's preferences. Ultimately, however, it is for national European parliamentarians to decide what form that future inter-parliamentary scrutiny arrangement should take. It is not for Governments to dictate to parliamentarians how they should scrutinise the functions of those Governments.

The UK Government have clear priorities. We believe in the primacy of national parliamentary scrutiny of the EU's common foreign and security policy—a point that was raised on many occasions in this debate. That reflects the intergovernmental nature of the policy, and within it the common security and defence policy. Given the role played by national Parliaments, there is no need for any new arrangements involving an expansion of the European Parliament's competences to scrutinise the CFSP. The European Parliament has a role—as acknowledged and recognised in the report—but an inter-parliamentary body better reflects the intergovernmental nature of the CFSP. The question was asked whether the European Parliament would take over the WEU's role. The answer is no, that is not the case. European defence is an intergovernmental issue, and national parliamentarians must remain at the heart of scrutinising it, as proposed in the report that we are considering this afternoon. The Lisbon treaty provides for the European Parliament to be consulted on the CFSP, and therefore it will have a role in the new body, but operational EU security and defence decisions will remain for sovereign Governments only, as at present.

Mr Chope: Does the Minister accept that the proposals from the Belgian presidency which are to be put to the Speakers' conference in April are wholly inconsistent with the Government's objectives?

Mr Browne: We wish to ensure that there is a suitable body that can scrutinise co-operation between individual member states. That should be done by the Parliaments of member states, working in concert with the European Union in a way that is appropriate. That is the balance that we are trying to achieve and which we believe the report also tries to achieve. We also believe that any new arrangements should be better suited to supporting and informing the national scrutiny process. They should capitalise on the expertise of relevant parliamentarians in this policy area and allow for a free and open exchange of information among European states.

The new arrangements also need to demonstrate value for money for the taxpayer. Given the current financial pressures facing Europe, we support the proposal in the Foreign Affairs Committee report that any future mechanism for inter-parliamentary dialogue on the common security and defence policy should operate with the minimum of cost and bureaucracy. The UK's current annual subscription payment to the WEU is €2.3 million. Although the WEU Assembly played a useful role in engaging views from across Europe, we and other WEU Council members believe this inter-parliamentary debating function can be delivered much more efficiently outside WEU structures. The new body will operate at a fraction of the current cost, as envisaged in the Foreign Affairs Committee report, and, more appropriately, be paid for by national Parliaments rather than Governments. Any move to create another standing body to manage future arrangements—as envisaged in the amendment, which was not selected for debate this afternoon—is contrary to UK and WEU members' goals. One of the prime drivers behind the decision by the UK and WEU member states to wind up the WEU was its poor cost-effectiveness.

Finally, the Government believe that the new arrangement should include third states outside the 27 members of the EU. One of the major strengths of the CSDP is its ability to draw on support from outside the EU. The report acknowledges this and we welcome the extension of a standing invitation to EU candidate countries, but we remain convinced that non-EU European NATO members such as Norway should receive a standing invitation. European defence policy and NATO share common political and security interests. Norway in particular has provided valuable contributions to EU operations and is currently an associate member of the WEU. We see no reason why its inclusion in future arrangements should be anything other than permanent.

To sum up, in this policy area, the Government see real value in inter-parliamentary collective debate that informs the national scrutiny process of EU member states. The Foreign Affairs Select Committee report represents an important step towards developing practical, low-cost, inclusive arrangements that will benefit parliamentarians across Europe, and I urge hon. Members to give the report their support this afternoon.

5.55 pm

Priti Patel (Witham) (Con): I want to make a short contribution to the debate. As a new Member of Parliament, I almost feel like an intruder, talking about the Western European Union. I want to thank my hon. Friends the Members for Croydon South (Richard Ottaway) and for North Dorset (Mr Walter) for setting the context of the debate and providing the necessary factual information.

My contribution is about the role of parliamentary scrutiny. I feel strongly that, whatever changes are made, it is vital that the sovereignty of the House should be preserved in relation to defence, foreign and security policy. I urge those involved in the decision-making process to take into account the fact that our electorate, the British public, feel aggrieved that there is not enough debate in the House on those policy areas. The public never had a referendum on the Lisbon treaty, and they now look to us to raise those issues here, and to preserve their democratic rights in regard to parliamentary sovereignty and the scrutiny of all those matters. Whatever the successor body does, the inter-parliamentary scrutiny that relates to the British people should feed back primarily to this Parliament and, of course, defend British interests.

5.57 pm

Mr Christopher Chope (Christchurch) (Con): I have served as a member of the WEU Parliamentary Assembly for several years, and I was recently given the honour of serving as leader of the Federated Group, which comprises like-minded parliamentary representatives from a whole range of countries, including non-EU countries that have the opportunity to participate in the Assembly.

I am very concerned that, in our debate today, there has been a conflict between the point of view put forward so ably by the president of the parliamentary assembly, my hon. Friend the Member for North Dorset (Mr Walter) and others who have direct experience of serving on the Assembly, and those led by the Chairman of the Select Committee, my hon. Friend the Member for Croydon South (Richard Ottaway), who have had no such experience.

I hope that when Mr Deputy Speaker, my hon. Friend the Member for Ribble Valley (Mr Evans), goes to the Speakers' conference in April, he will reflect on the fact that great credence should be given to the points of view of those who have been serving in the WEU parliamentary assembly. Parliament will be assisted by the fact that he has served with distinction as a member of the Assembly, and as chairman of one of its technical committees dealing with aerospace and defence—

Mr Ottaway *claimed to move the closure (Standing Order No. 36).*

Question put forthwith, That the Question be now put.

The House divided: Ayes 118, Noes 4.

Division No. 221] **[5.59 pm**

AYES

Alexander, rh Danny
Amess, Mr David
Bacon, Mr Richard
Baker, Steve
Baldry, Tony
Barker, Gregory
Benyon, Richard
Blackman, Bob
Bottomley, Sir Peter
Brokenshire, James
Browne, Mr Jeremy
Bruce, Fiona
Bryant, Chris
Buckland, Mr Robert
Burns, rh Mr Simon
Burstow, Paul
Carmichael, rh Mr Alistair
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Corbyn, Jeremy
Crouch, Tracey
Cunningham, Alex
David, Mr Wayne
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellison, Jane
Ellwood, Mr Tobias
Fabricant, Michael
Fallon, Michael
Field, Mr Mark
Foster, rh Mr Don
Francois, rh Mr Mark
Freer, Mike
Fuller, Richard
Gapes, Mike
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Grayling, rh Chris
Green, Damian
Grieve, rh Mr Dominic
Hames, Duncan
Hands, Greg
Harper, Mr Mark
Harris, Rebecca
Haselhurst, rh Sir Alan
Heaton-Harris, Chris
Hoban, Mr Mark
Horwood, Martin
Howarth, Mr Gerald
Javid, Sajid
Jenkin, Mr Bernard
Jones, Mr David
Jones, Mr Kevan
Kwarteng, Kwasi
Lamb, Norman
Lefroy, Jeremy
Leslie, Charlotte
Llwyd, rh Mr Elfyn
Lord, Jonathan
Loughton, Tim
Lucas, Ian
Mactaggart, Fiona
Main, Mrs Anne
Maude, rh Mr Francis
McLoughlin, rh Mr Patrick
Miller, Andrew
Miller, Maria
Milton, Anne
Mosley, Stephen
Munt, Tessa
Murrison, Dr Andrew
Neill, Robert
O'Brien, Mr Stephen
Offord, Mr Matthew
Ottaway, Richard
Parish, Neil
Patel, Priti

Penning, Mike
Phillips, Stephen
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Randall, rh Mr John
Raynsford, rh Mr Nick
Reckless, Mark
Robathan, rh Mr Andrew
Rosindell, Andrew
Russell, Bob
Selous, Andrew
Sharma, Alok
Skidmore, Chris
Smith, Julian
Stanley, rh Sir John
Stephenson, Andrew
Stewart, Bob
Stunell, Andrew
Swinson, Jo
Syms, Mr Robert
Tami, Mark
Teather, Sarah
Timms, rh Stephen
Umunna, Mr Chuka
Vara, Mr Shailesh
Walker, Mr Charles
Watkinson, Angela
Webb, Steve
Wiggin, Bill
Willott, Jenny
Wright, Jeremy
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mr Robert Goodwill and
Miss Chloe Smith

NOES

Bone, Mr Peter
Davidson, Mr Ian
Hollobone, Mr Philip
Lilley, rh Mr Peter

Tellers for the Noes:
Mr James Clappison and
Mr Christopher Chope

Question accordingly agreed to.

Main Question accordingly put and agreed to.

Resolved,

That this House pays tribute to the work of the European Security and Defence Assembly and the members of the UK Delegation; notes the continuing need for co-ordinated scrutiny by national parliaments of intergovernmental activities under the EU's foreign, defence and security policies; welcomes the report of the Foreign Affairs Committee, Future inter-parliamentary scrutiny of EU foreign, defence and security policy, HC 697; and approves its approach to delivering that scrutiny.

Mobile Communications (Interception)

Motion made, and Question proposed, That this House do now adjourn.—*(James Duddridge.)*

6.12 pm

Chris Bryant (Rhondda) (Lab): I believe that, in accordance with Parliament-speak, this Adjournment debate has been entitled something like "The Interception of Mobile Telephony", but in case anybody is in any doubt, it is about phone hacking. *[Interruption.]* That term covers a multitude of sins: tapping a telephone call or line; hacking into a phone's operating system to access e-mails, text messages, contact details or—*[Interruption.]*

Madam Deputy Speaker (Dawn Primarolo): Order. I am very sorry to interrupt the hon. Gentleman. The Adjournment debate is now taking place. If Members wish to have private conversations, they can do so in the Lobby. I would be very grateful if they would not do so in the Chamber.

Chris Bryant: You are very naughty boys.

As I was saying, the term phone hacking includes hacking into a phone's operating system to access e-mails, text messages, contact details or a record of mobile internet searches, and the interception of mobile phone messages either before or after the person for whom they were intended has accessed them. These are not just sins, of course; they are offences under the Regulation of Investigatory Powers Act 2000, the Data Protection Act 1998 and the Computer Misuse Act 1990.

There are other dark arts: ringing an office and pretending to have to deliver a parcel to someone's home address and thereby fraudulently getting the home address; ringing a phone call centre and pretending to be a client so as to get a personal identification number to be able later to listen to, or change, somebody's messages; and blagging a doctor's receptionist into giving highly personal information about an appointment or medication or other treatment. Interestingly, one expert concluded only two days ago that roughly 60% of doctors' surgeries in England are completely incapable of protecting patients' privacy in this kind of situation.

All those dark arts were part of the systematic modus operandi of the *News of the World* for a sustained period. Evidence already in the public domain shows that that period extended at least from 2003 to 2006, when Andy Coulson was the editor of the newspaper. Recent evidence also suggests that it continued long after Coulson had left, and that between June 2009 and March 2010 a *News of the World* journalist called Dan Evans was accessing or attempting to access the phone messages of Kelly Hoppen. I believe that the practice started earlier than 2003; I believe it started in 2002, under the editorship of the then Rebekah Wade, now Rebekah Brooks, and I believe that evidence will very soon prove that to be the case. I find it absolutely extraordinary that Rebekah Brooks has, thus far, refused point blank to appear before the Select Committee on Culture, Media and Sport. I very much hope that in future deliberations that Committee will insist, if necessary by a motion of this House, that she be forced to appear before it.

This activity was not confined to the *News of the World* alone. I understand that there is now clear evidence that at least one journalist at *The Sunday Times* was also involved. For a long time, though, News International tried to maintain that just one rogue reporter at the *News of the World* was involved: Clive Goodman, the royal correspondent. News International could not explain why a royal correspondent would have been interested in the messages of the right hon. Member for Bermondsey and Old Southwark (Simon Hughes) or Sienna Miller, as they are not notable members of the royal family, but it was assisted in its argument by the Metropolitan police. Assistant Commissioner Andy Hayman, who was formerly in charge of the investigation, said that there were "perhaps a handful" of hacking victims, and his successor, John Yates, maintained time and again that there were very few victims. Indeed, as late as late last year several possible victims were told directly by the Metropolitan police that there was "little or no" evidence of hacking in their case.

Of course we now know that to be completely and utterly untrue. Indeed, the head of the new investigation, appointed this January, Deputy Assistant Commissioner Sue Akers, has said explicitly that

> "this has now proved to be false, and represents an important and immediate new line of inquiry."

The allegation that there were only "perhaps a handful" of hacking victims is countered by the fact that I could name—I am not going to do so today—at least eight Members of the House of Commons who have been informed directly by the Metropolitan police that not only were they a person of interest to Mr Mulcaire, but there may have been interception of their messages.

There are very serious issues here. On the face of it, at least, the relationship between the Metropolitan police and the *News of the World* is remarkably and, I would argue, dangerously close. The former editor of *The Sun* and the *News of the World*, Rebekah Brooks, has openly confessed that she has paid police officers for information—in other words, bribed the police—and there has been no investigation whatever. Andy Hayman, who once led the *News of the World* investigation at the Metropolitan police, has ended up on the News International payroll. The Metropolitan Police Commissioner and other senior Met officers dined with senior executives at the *News of the World* both while the investigation was ongoing and when there were calls that the investigation be reopened. Indeed, Sir Paul Stephenson met Neil Wallis of the *News of the World* in September 2006, only a month after counter-terrorism officers arrested Mulcaire and Goodman. There were 12 other private dinners and social engagements, including an invitation for Sir Paul to attend the News Corporation summer party. And in 2009, Deputy Commissioner John Yates had dinner with the editor of the *News of the World*, Colin Myler, just when he was refusing calls for the investigation to be reopened. That was at best ill-advised; at worst, fairly or unfairly, it smacks of collusion.

One day there will have to be a full investigation into why the Met's original investigation was so cursory. Was it laziness that meant people simply could not be bothered to wade through the material gathered from Glenn Mulcaire in 2006? Was it because of the closeness of senior officers to the newspaper? Was it just too ready an acceptance of News International's word, or did the *News of the World* have something on some of the people involved in the investigation? Or was it a mistaken understanding of the law, deliberate or accidental?

That takes me to the evidence that John Yates gave to the Select Committee on Home Affairs in September 2010, in which he said that

> "hacking is defined in a very prescriptive way by the Regulation of Investigatory Powers Act and it's very, very prescriptive and it's very difficult to prove…There are very few offences that we are able to actually prove that have been hacked. That is, intercepting the voicemail prior to the owner of that voicemail intercepting it him or herself."

That point at the end is very important:

> "intercepting the voicemail prior to the owner of that voicemail intercepting it him or herself."

On that basis—and only on that basis—Yates asserted that there were really only eight to 12 victims.

It has now emerged, however, that never at any stage during the prosecution of Goodman and Mulcaire did anybody from the Crown Prosecution Service advise the Metropolitan police that the law should be interpreted in such a way, and never at any stage in the prosecution was that interpretation relied on. Indeed, the Director of Public Prosecutions said in his evidence:

> "First, the prosecution did not in its charges or presentation of the facts attach any legal significance to the distinction between messages which had been listened to and messages which had not. Secondly, the prosecution not having made the distinction, the defence did not raise any legal arguments in respect of the issue, and pleaded guilty."

Furthermore, I understand that on 1 October last year a team from the CPS held a meeting with a team from the Metropolitan police and formally warned them it was wrong to claim such an interpretation. Scotland Yard, therefore, has known for more than five months that the evidence given by Yates to the two Select Committees was misleading—not on a minor point, but on the most substantial point of all, as it is directly linked to the question of how many victims there are in the affair and whether there should or should not be a further investigation or a reopening of the investigation. Indeed, that was the very reason—and the only reason—why the Metropolitan police refused point blank to reopen the case until January of this year.

Let me be clear. I am delighted that the Met has reopened the investigation. I am glad that additional information has now been gathered from other sources, but what still astounds and infuriates me is that in many cases the Met already had all the information it needed—reams and reams of notes taken by Mr Mulcaire with 91 personal identification numbers, copious invoices, pages devoted to individual targets with thousands of linked phone numbers, many of them garnered illicitly, and quite often the name of a commissioning journalist or executive. Indeed, some of us have been shown the material that was gathered from Mr Mulcaire in 2006, which has been sitting in the Metropolitan police's vaults ever since, that relates directly to us.

In other words, the Met had many of the dots—it just failed or refused to join them up. Let us take one example. On 2 September 2009, Mike Hall, former MP for Weaver Vale, directly asked Mr Yates,

> "was John Prescott's phone actually tapped or not?"

Yates answered:

> "No. As I said on the day, there is no evidence it was.'

[Chris Bryant]

Yates also told the Home Affairs Committee on 7 September 2010—just a few months ago—that Lord Prescott

> "has never been hacked to my knowledge and there is no evidence that he has."

Yet now Lord Prescott has been told that that evidence exists and always has existed. We now know that the evidence given to the Committee was completely disingenuous.

Yates misled the Committee, whether deliberately or inadvertently. He used an argument that had never been relied on by the CPS or by his own officers so as to suggest that the number of victims was minuscule, whereas in fact we know and he knew that the number of potential victims is and was substantial. What was lacking was not possible avenues of investigation, but the will to pursue them.

What is depressing is how closely all that accords with the line spun by News International. When the Chairman of the Department for Culture, Media and Sport Committee asked Les Hinton:

> "You carried out a full, rigorous internal inquiry, and you are absolutely convinced that Clive Goodman was the only person who knew what was going on?",

Les Hinton replied:

> "Yes, we have and I believe he was the only person".

There simply has not been a full or rigorous investigation. I do not know why, although I could speculate, but I hope that one day we shall all know.

There is also the matter of the mobile phone companies, each of which has operated a slightly different system regarding mobile phone messages. There is clear evidence that in some cases rogue staff members sold information to investigators and reporters. In other cases, companies spotted that a client's phone had been compromised but failed to notify the client. Indeed, one Select Committee report noted that Vodafone sometimes notified people, O2 mostly notified people but Orange never did. When I asked Orange yesterday whether it would notify a client if their phone was hacked into now, it said it did not know. However, I understand that today it believes that in certain circumstances it might notify a client. I believe that in every such circumstance the client should be notified when there has been a problem. All that suggests a rather slapdash approach towards the security of mobile telephony.

This has been a many layered scandal, but at the heart of the issue is the rationale behind the whole modus operandi at the *News of the World* and other newspapers. As one police officer put it to me, the newspapers involved deliberately sought to harass, intimidate and bully people for their own commercial interests. In the pursuit of their victims they were reckless about the innocent bystanders whose personal messages were intercepted, transcribed and relayed to others.

Almost as bad as the original illegal activity—only the tip of which we have yet seen—has been the cover-up. Other Members and former Members of the House have said they were warned off pushing the issue in the House and in Select Committees. When I raised the question of parliamentary privilege in the House last September, my friends were told by a senior figure allied to Rupert Murdoch and a former executive of News International to warn me that it would not be forgotten. What is truly shameful is the fact that the full extent of all this is coming to light now only because individuals have taken private civil actions, often at great expense, against the *News of the World*, News International or the Metropolitan police.

I praise the investigation that has now begun and I trust that the deputy assistant commissioner will follow where the evidence leads. I only wish that her predecessor had done the same. I suspect that even hardened cynics will be shocked when they know the full extent of the operation that went on, but I praise those who have taken courageous action in the courts, especially Sienna Miller and Kelly Hoppen.

There are many unanswered questions. Why was it left to the *News of the World* to do its own internal investigation and, in particular, why did the *News of the World* rather than the Metropolitan police impound Ian Edmondson's computer? How did e-mails relating to Ian Edmondson that were not available a year ago suddenly become available once he was implicated in Mulcaire's papers relating to Siena Miller, which the Met had had in its possession for at least four years? Why were key figures at the *News of the World*, including Neville Thurlbeck, not interviewed by the police? Why did the Met choose a narrow, false interpretation of the law on interception? How many journalists commissioned Glenn Mulcaire's illegal activity? How many senior executives at News International were aware of what was going on on their watch? Were Rebekah Brooks, Andy Coulson, Les Hinton and Neil Wallis aware? For four years now, the argument from the Met and the *News of the World* has been consistent: there was just one rogue reporter, there were very few victims, it is very difficult to prove anything and every avenue of investigation was pursued. Every shred of that argument is now in tatters.

I fully understand that there will be people who think none of this matters, and that it is just a storm in a metropolitan teacup, but the freedom of the press is far too important and was won too hard to be sullied by such illegal activity. Investigative journalism is so important in uncovering malfeasance that it is vital readers know that the stories they read are properly, reliably and legally sourced.

In the end this is about who runs Britain. Are the press above the law or subject to it? Is the law there to protect the press or to pursue every avenue of investigation? In time, I suspect we shall see that this has been a full-blown, copper-bottomed scandal.

6.30 pm

The Parliamentary Under-Secretary of State for the Home Department (James Brokenshire): I congratulate the hon. Member for Rhondda (Chris Bryant) on securing the debate. He has a keen personal interest in the issues raised, as he has highlighted; indeed, I am aware that many Members share that interest.

The issue of phone hacking is undoubtedly one that Members on both sides of the House regard as extremely important. As well as the original investigation by the Metropolitan police, which resulted in the prosecution and conviction of Clive Goodman, the royal editor of the *News of the World*, and a private investigator, Glenn Mulcaire, there has been a separate review by the

Metropolitan police, the Director of Public Prosecutions and the Crown Prosecution Service. The matter has previously been the subject of consideration by the Select Committee on Culture, Media and Sport. It is also the subject of current inquiries by both the Home Affairs Committee and the Committee on Standards and Privileges.

Such a degree of interest is understandable. The Government fully agree that the prospect of journalists, or anyone else, unlawfully hacking into and listening to people's private conversations is an extremely serious matter that needs to be treated accordingly. In its plainest terms phone hacking is unlawful and should not occur. Any interception of communications is a very serious invasion of privacy. No activity of that nature would ever be taken lightly by the state itself.

Interception is of course a potentially powerful tool for combating terrorism and serious crime, but the Regulation of Investigatory Powers Act 2000, which governs lawful interception and its oversight, allows only a very small number of intelligence and law enforcement agencies to apply for warrants to undertake such steps. The warrants can be issued only by the Secretary of State and for very limited purposes, including preventing or detecting serious crime and the interests of national security.

The checks and balances that have been established underline how serious a step it is to contemplate interfering with private communications, even when such action is designed to protect the public and prevent harm or detect wrongdoing. My right hon. Friend the Home Secretary devotes a great deal of her time to scrutinising warrant applications under RIPA for the security services and police to interfere with the communications of serious criminals and terrorists.

There is no place for indiscriminate and unauthorised interception. Such activity, which includes the so-called hacking of voice messages, is an offence under RIPA and carries a penalty of two years' imprisonment. In addition, and of growing relevance as technology advances, the Computer Misuse Act 1990 created other offences relating to the unauthorised accessing of data. They include unauthorised access to a computer to look at information, for which the penalty is up to two years' imprisonment, and accessing a computer in order to commit other crimes, such as stealing data, for which the penalty is up to five years' imprisonment.

Personal data are also protected under the provisions of the Data Protection Act 1998, and unlawfully obtaining personal data is also an offence under that Act. There can thus be no doubt that the intention of Parliament is that an individual's personal and private data should be properly protected.

When there is reason to suspect that any of the provisions protecting personal data may have been breached, it is quite rightly a matter for the police to consider and investigate. Police investigations are operational matters, and it is for the relevant police force to decide whether and how best to approach any such investigation, in consultation as necessary with the Crown Prosecution Service.

It has been suggested that the original investigation by the Metropolitan police was inadequate, but I remind the House that the investigation did result in the prosecution and conviction of two individuals. In dealing with that investigation, the police worked closely with the Crown Prosecution Service to determine the best approach to the case and prosecution. Those decisions were subsequently reviewed. The police made it clear that the investigation was technical and complex. They also undertook to consider any fresh information and evidence that might shed any new light on the case. As the Director of Public Prosecutions made clear in December 2010, for a prosecution to be taken forward it is necessary for there to be credible evidence and individuals prepared to testify to it.

Fresh information has recently been made available to the police and a new investigation is under way, as the House is well aware. It is important that that investigation be allowed to proceed without hindrance. It would not be appropriate for me to speculate or comment on the details at this stage, but the Metropolitan police have made it clear that it is to be a thorough and most robust investigation. It is being carried out by a fresh team within the Metropolitan police. The officer in charge, Deputy Assistant Commissioner Sue Akers, released a statement on 9 February, to which the hon. Gentleman referred, in which she made it clear that the Metropolitan police were

> "determined to ensure that we conduct a robust and thorough investigation which will follow the evidence trail to its conclusion."

Chris Bryant: I have full confidence in Sue Akers because everything I have seen shows that she is doing the job that should have been done previously, and I do not underestimate the difficulty of that job. The Minister said—it is an argument that has been adduced by others, and Mr Yates in particular—that new evidence has been provided, but that is not actually true. The only reason there was new evidence in relation to Ian Edmondson is that the papers relating to Sienna Miller, which mentioned Mr Edmondson, were finally wrested from the hands of the police by Sienna Miller in a civil court case. That is the scandal.

James Brokenshire: All those issues relating to the investigation will undoubtedly be examined by Sue Akers and the Metropolitan police as part of their ongoing investigation. As the hon. Gentleman will be aware, the Director of Public Prosecutions has also instigated an independent review of all the original evidence held by the Metropolitan police, including that not originally given to the Crown Prosecution Service in connection with the original case.

That review will consider whether there is any material that could form evidence in any future criminal prosecution. It is important that the police are able to focus fully on this new investigation and pursue any new avenues of inquiry as necessary. The most appropriate course is therefore to await the outcome of the investigation, rather than speculating further at this stage on particular aspects.

I am sure that the whole House will agree that a free press is a fundamental hallmark of our democracy, but that does not mean that the media are above the law—they are bound by it in precisely the same way as any other individual. Any breaches of that law are punishable through the courts in the normal way. With freedom comes responsibility. The press have their own set of guidelines set out in the press code of practice, which contains a clause forbidding the acquisition and publication

[James Brokenshire]

of material by intercepting private or mobile telephone calls, messages or e-mails. The media must adhere to those standards of conduct. I would also say that the defence of activity being in the public interest is not the same as what may interest the public.

The media's conduct in relation to the code of practice is overseen and enforced by the Press Complaints Commission. The commission is independent from the newspaper industry, with commission members appointed by an independent appointments commission and with an in-built majority of lay members. It is also, rightly, independent of the Government. We of course recognise that these arrangements and the industry's system of self-regulation are not perfect and are sometimes breached. However, overall we believe that the PCC acts as an effective check on the industry and in reinforcing the standards expected.

The PCC recently announced that it has set up a working group to look at new evidence as it becomes known, and it is examining its own role and actions in relation to the issue as it has unfolded. The committee will comprise the two lay commissioners who joined most recently, in 2010, both of whom are experts in relevant legal fields: Ian Walden, professor of information and communications law at Queen Mary, university of London; and Julie Spence, a former chief constable of Cambridgeshire police. There will be one editorial commissioner, John McLellan, the editor of *The Scotsman*.

Despite some undoubted lapses in the standards that we expect of the media according to the principles of its own code, overall we believe that further regulation of the industry is neither necessary nor appropriate. We will, however, continue to keep the issue under review.

On the hon. Gentleman's comments about the mobile phone companies, mobile network operators offer a range of advice and services on keeping personal details secure at all times. Some send an automatic message if a PIN number is incorrectly entered, or they may suspend services until the legitimate owner of the account authenticates their identity. The Information Commissioner has been working with service providers to consider the safeguards available, and he will include advice on that in his next set of guidance.

As I said at the outset, I recognise that the matter continues to command a great deal of interest. That is why it is already under detailed scrutiny. In addition to the current police investigation, the Director of Public Prosecutions has instigated a review by Alison Levitt, QC, of all available evidence—not just that passed to the Crown Prosecution Service in connection with the original prosecutions. She has been asked to take a robust approach to assessing the evidence, advising whether the Metropolitan Police Service should carry out any further investigation or whether any prosecutions can be brought. She will also advise on the new investigation.

The Home Affairs Committee is conducting an inquiry into phone hacking, as is the Standards and Privileges Committee, and, as I have said, the Press Complaints Commission has announced its own review of the emerging information. As the hon. Gentleman noted, other cases are being brought by individuals who believe that they might have been subject to hacking, and they are currently before the courts. Each process has its own proper procedures for looking into the detail of the allegations and its own course to run.

The Government and the whole country take the issue of phone hacking extremely seriously: the intrusion of privacy, the attempt illegally to use private conversations for financial gain and the compromising of individual rights—we consider all those abhorrent. Although two individuals have already been convicted and jailed in relation to the case, it is possible that as a result of the new police investigation others will be prosecuted.

I remind the House that the Government have no involvement in decisions to charge or to prosecute individuals, and I am sure the whole House will agree that, in a free society, that is entirely right and proper. The right course of action for the Government is to await the outcome of the new police investigation, and that is exactly what we will do.

Question put and agreed to.

6.43 pm

House adjourned.

Westminster Hall

Tuesday 1 March 2011

[MR JAMES GRAY *in the Chair*]

Forestry Commission

Motion made, and Question proposed, That the sitting be now adjourned.—*(Miss Chloe Smith.)*

9.30 am

Joan Ruddock (Lewisham, Deptford) (Lab): I am very grateful for the opportunity to open this debate on the future of the Forestry Commission. When I applied for the debate the Government were, of course, intent on selling off up to 100% of our public forest estate, which by any standards was an outrageous proposal, especially given Ministers' repeated boasts of their intention to be the greenest Government ever. The U-turn made by the Secretary of State on 17 February, heralded by the Prime Minister's disowning of the policy the day before, has to be one of the most humiliating ever. Just like the U-turns on green individual savings accounts, housing benefit, rape anonymity, dissolution of Parliament, knife offences, school sports, Bookstart, free nursery milk and debt advice, the forestry U-turn was the result of a rushed and ill-conceived set of proposals, put forward by an ideologically driven Government.

Where did the policy come from? It certainly did not come from the people who carried out the Labour Government's review of the public forest estate. I suggest that once again we see a Secretary of State out of touch with the community of interests relating to her Department, and I only hope that the 500,000 people who rose up in protest against the forest proposals will do so again to defeat another Secretary of State and his plans to restructure the NHS.

As a Department for Environment, Food and Rural Affairs Minister, I had responsibility for the Forestry Commission for a short time, and was very impressed with how the custodians of our public forest estate were developing their mission. They had moved some considerable way from the overriding timber priorities of the past, to delivering multi-purpose sustainable forestry, embracing the need to combat climate change, to enhance both biodiversity and leisure pursuits, and to develop sources of renewable fuel. We, the Labour Government, wanted to build on that progress, alongside our Countryside and Rights of Way Act 2000 and the creation of two new national parks, and so in November 2008 we launched the review of the public forest estate, to which I referred earlier. That review was conducted by independent representatives from academia, the civil service, industry and nature conservation, and the research covered the economic, environmental and social costs and benefits of the public forest estate. It was accompanied by a public consultation, which received more than 4,000 responses. The review group's final report was presented to the Forestry Commission in May 2010, and its findings offered a way forward that was very different from the wholesale sell-off proposed by the Minister.

Glyn Davies (Montgomeryshire) (Con): The right hon. Lady has made a number of comments about the Labour proposals, but she has not mentioned that the Forestry Commission is both a big commercial operator in the forestry market and a regulator of everyone else—all its competition. Was that part of the Labour party's consideration, and did it feature at all in its report?

Joan Ruddock: The report, which was of course independent, was never responded to by the Labour Government, for the obvious reason that there was an election. The report went to the Forestry Commission and there was no opportunity for us to respond, but I recommend it to the hon. Gentleman. It took a considerable amount of time—more than a year—and came up with a huge range of suggestions, and the underlying research, which was reported on, was very important. The issues that the hon. Gentleman mentions are in the report, and I will come on to say what I think was very important about the review.

Has the Minister read that report? I wonder whether he has read this:

> "Public consultation and social research showed passionate engagement with the public forest estate…and most people saw it as relevant to their lives",

or this, among the major recommendations:

> "The public forest estate should remain large scale, widely distributed throughout England, have a flexible and varied cross-section of all types of woodland, be able to provide a significant volume of products, services, skills and experience, and remain under public control and accountability."

I have to assume that the Minister did not read the report; otherwise, how could he and his colleagues have embarked on such a reckless policy of selling off the lot?

That brings me to future sales. I say immediately that some sales can be justified when holdings are small or distant from the main estate, and when they are degraded or appropriate for restoration to open land. Over the 13 years of Labour Government our policies resulted in the sale of 9,000 hectares and a consequent purchase of 5,000 hectares—a net change of 4,000 hectares over 13 years. The comprehensive spending review announced the sale of 10 times that amount—40,000 hectares over a mere four years—quite separate from the new legislation that had now been abandoned. This Tory-led Government have sold 1,748 hectares to date, but we have been told that no further sales will take place—awaiting new advice. Can the Minister tell us how the Government—not necessarily his Department—expect to find the £745 million that their forestry sales were expected to realise, or what percentage of the public forest estate he still expects to sell off over the next four years, albeit with his new potential safeguards?

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): Will the right hon. Lady give way?

Joan Ruddock: If the Minister wishes to answer now rather than in his summation, of course I will give way.

Mr Paice: I can assure the right hon. Lady that I have a number of points to make when I wind up the debate, but I am slightly puzzled about where she got the figure

[Mr Paice]

of £745 million—the supposed gain from the sales—from, given that during the debate on this issue in the Chamber, the Labour Front-Bench spokesperson, the hon. Member for Leicester South (Sir Peter Soulsby), said that there was nothing in it financially for the Government.

Joan Ruddock: I am simply citing the Government's own ambitions, and there are substantial sums to be realised from sales. I cannot, off the top of my head, remember what the Government have raised from the 1,748 hectares sold off already, but it is certainly many millions. I would be delighted if the Minister answered my question in his response, and told us what was expected to be raised from the sales of the forestry lands—the 15%. Will he also indicate how the Government will make up that money if they do not go ahead with the sale of the 15%? They cannot have it both ways; either they plan to sell or they do not. If they plan to sell, I know—I have been a Minister myself—that the Minister will have a real estimate of the financial result of those sales.

I have another question for the Minister. In principle, does he rule in or rule out the sale of woodland in national parks, areas of outstanding natural beauty, community forests and sites of special scientific interest? Will he confirm that DEFRA still requires the Forestry Commission to cut its budget by 25% this year, with a potential loss of 400 jobs? Surely job losses of such magnitude undermine any recommendations that his new panel might make for the future of the Forestry Commission.

In the drafting of the terms and conditions of the independent panel, is any account being taken of the findings of Labour's review of the public forest estate? The Minister frowns, but it was an independent review carried out by experts over 12 months and was available to his Government the moment they took office, and it appears that he did not even bother to read it before coming up with these madcap proposals. Referring to the review would be significant.

Critically, will the panel be allowed to consider continuing public ownership? The Minister frowns again, but the consultation that has just been cancelled prohibited continuing public ownership. The new panel's terms of reference will be significant. The public believe that they have won a great battle now that the consultation and plans have been cancelled pending the findings of the independent review, but the panel's terms of reference are critical to determining the future.

Jim Shannon (Strangford) (DUP): Is the right hon. Lady aware that in Scotland, Wales and Northern Ireland, and in the area that I represent, public forests are retained for public use and are not to be sold? Does she feel that the decisions of other regions in the United Kingdom to retain public forests should be part of the panel's review and its final decision making?

Joan Ruddock: Perhaps forests in the other part of the United Kingdom are safer left out of the Government's review. I am not sure that I would trust this Government with any bit of the forest, whether in Scotland, Northern Ireland or Wales. History to date suggests that we in England have been poorly served by this Government and their proposals; perhaps other regions are on safer ground. However, it will be for the Minister to answer the hon. Gentleman's question.

I have a list of questions for the Minister. I shall not speak at huge length, as I want to hear his answers and do not want him to run out of time. Will he guarantee that there will be a place on the panel for representatives of the Forestry Commission work force? How will the voices of those who campaigned to defeat his proposals be represented? Will the panel's deliberations be held in public?

The public have shown overwhelming support for our public forests; I pay tribute to the campaign 38 Degrees. The Government would be well advised to harness that support. The public forest estate in England must be maintained as the national asset that it is, under a single management structure. Rather than being sold off, it should be extended.

I pay tribute to my constituents and those of other MPs who took the time not only to express their outrage at the Government's proposals but to tell us what the forests mean to them. Annette Lewis from Brockley wrote to me:

> "As I have always lived in cities, I know how important it is for city dwellers to access the countryside. I believe in the preservation of woodland in public ownership for future generations. I want my children and their children to be able to find the joy and relaxation I have found from a walk in the woods."

Hazel Montgomery from Lewisham Central wrote that

> "there are many places around south-east London and Kent which are woodland. They are fantastic because London is so overcrowded and children love to roam freely in safety with parents; this is so for all our national woodlands."

Simon Brammer of Telegraph Hill, who works on climate change, wrote:

> "How can we ask other countries much poorer than our own not to chop down forests, critical in regulating our climate and storing carbon, when we are prepared to sell our own for a song"?

Hon. Members: Rubbish!

Glyn Davies: The right hon. Lady refers to the chopping down of forests. Is she aware that forests can be cut down only if a licence is granted, and that in almost every instance new forest must be planted in its place?

Joan Ruddock: I am more than aware of that. I am expressing the passionately held views of my constituents. If people are concerned enough to write to their MPs in unprecedented numbers, it is important that we understand their concerns. Concerns about climate change and the future of this planet are dear to the hearts of many of our constituents.

Damian Hinds (East Hampshire) (Con) *rose—*

Joan Ruddock: If the hon. Gentleman will calm down for a moment, I will be more than pleased to give way. I am dealing with a point already raised. The issues are important, and it is greatly to the credit of the public in this country that they can and do associate our precious forests with tackling climate change and have linked that issue to the fact that we should not only do what we must in the developed world but seek to influence those in the underdeveloped world who have custodianship of the most important forests in the world. That is important, and I resent the fact that Conservative Members should attempt to rubbish my constituents on an issue about which they are passionately and properly concerned.

Damian Hinds: I did not hear anybody rubbish anybody, but for the avoidance of doubt, although important issues are being discussed about the future of the Forestry Commission's estate, will the right hon. Lady acknowledge that the subject is not in the slightest related to deforestation or the chopping down of forests?

Joan Ruddock: No, absolutely not. The hon. Gentleman is completely wrong. We have one of the smallest forest estates in Europe, so the extent of ours is important to people. I argue that if we keep the forest estate in public ownership, we are more likely to be able to deal with the diseases that are arising and manage it comprehensively and effectively, and less likely to encounter some of the problems that occur when forest estates are fragmented and people fear, maybe wrongly, that trees will be felled unnecessarily. He will know that over the years, the Forestry Commission has changed its culture and become very aware of the great issues of our time, such as the threat of climate change and the loss of biodiversity. People understand that. It is important that we as parliamentarians associate ourselves with those concerns and in no way criticise people when they want to bring them to our attention.

I was about to wind up, but gave way because there was such agitation opposite. I now come to my final point. I have read out only selected comments from the long e-mails that I received from three of the 392 constituents who contacted me, and they will now ask, as I do, what exactly is the future of the Forestry Commission?

9.50 am

Tony Baldry (Banbury) (Con): One of the depressing things about this House is that, sometimes, hon. Members do not listen to what has been said. I am not sure whether the right hon. Member for Lewisham, Deptford (Joan Ruddock), who introduced this debate, was present in the main Chamber when the Secretary of State made her original statement when launching the original consultation document. The right hon. Lady has sought to suggest that the Government intended to "sell off" the forests, but I heard the Secretary of State clearly say two things. On commercial forest, she said that the Government had no intention of selling freehold interests, but that they would grant leaseholds for the specific reason of enhancing protections for access and other rights—for walkers, cyclists and so on—within those commercial lettings.

On heritage woodland, I heard the Secretary of State make it very clear that, if community, voluntary or other groups did not come forward to run community and heritage woodland, it would remain within public ownership. I invite the right hon. Lady to re-read what the Secretary of State said in her statement to the House, because her comments bear absolutely no relationship to the Government's policy. Part of the problem with this whole debate is that the perception of the Government's policy bears no relationship to what Ministers actually proposed.

Joan Ruddock: The hon. Gentleman has to take into account the many remarks that have been made, not least by the Minister, about the so-called sell-off and disposal of up to 100% of the forest estate. The hon. Gentleman criticises the term "sell-off," but the fact is that disposals of whatever kind mean that the estate is totally fragmented. That is the big difference and that is why it is so significant.

Tony Baldry: I do not wish to pursue this point, but the right hon. Lady was a Minister in the previous Government and understands the concept of collective government, so she well understands that comments by a Secretary of State at the Dispatch Box represent the collective view of the Government. The Secretary of State could not have been clearer when she spoke at the Dispatch Box about what the Government intended to do.

I was fortunate to grow up in Burnham Beeches, which is a substantial area of woodland between Maidenhead and Slough that is owned and very well managed by the City of London corporation. It makes the point that much of our woodland in this country is owned by a diverse group of owners. I am a Church Commissioner and the Church Commissioners own a fair amount of woodland, much of it in our agricultural estate, and we lease woodland to the Forestry Commission. Having had the opportunity as a child to enjoy the benefits of Burnham Beeches, I am conscious of the importance of woodland. Moreover, as a representative of the county of Oxfordshire, which has very little woodland cover, I am conscious of how important it is to encourage woodland cover as a whole.

When I was fortunate enough to be a Minister in the Department of the Environment, I was proud to be part of a ministerial team that advanced initiatives on both the national forest and the community forest. At that time, Mr Gray, you were a distinguished special adviser to Ministers in the Department.

Mr James Gray (in the Chair): Order. It is kind of the hon. Gentleman to remind me of that and to be so flattering, but for the sake of today's debate, I cast aside all previous party political roles that I may have had. I am highly dispassionate about today's debate.

Tony Baldry: I did not want you to think, Mr Gray, that I was trying to steal all the glory of those days under Lord Heseltine and others in the Department of the Environment, when we benefited from your advice. It is worth recalling that the Conservative party has a long tradition of seeking to enhance woodland cover in the UK. The national forest, which was an initiative by that Government, has been a great success story. Last year, the Department for Environment, Food and Rural Affairs Committee reported:

> "Fifteen years on from its inception, The National Forest is a success story. It is delivering tangible environmental, economic and social benefits out of a bold vision to transform a 200 square mile swathe of the Midlands—much of which was suffering economic and environmental decline—through planting trees to create new woods and forests. Its achievement is not so much in trebling the proportion of land with tree cover to 18%, but that, in so doing, it has helped to regenerate the local economy, open up the Forest to greater public use and improve the natural environment."

On community forests, the Countryside Agency commissioned consultants a few years ago to assess

[Tony Baldry]

their impact, and they concluded that, overall, the community forests programme

"has been successful in levering in high levels of private and voluntary sector support",

and that

"over the period 1990-2003, the total amount levered"

into new woodland

"totalled £42.9 million."

They also noted:

> "Overall, the CFP is performing well in terms of increasing woodland cover and improving the environment.
>
> The CFP is performing particularly well in terms of providing opportunities for informal recreation and opening up rights of way."

I am proud to have been involved in initiatives such as the national forest that encourage the development of everything from community forests to local pocket parks, and which have enhanced community woodland.

It is sensible for the Secretary of State to establish an independent panel to consider forestry policy in England. It will report its findings to the Secretary of State in the autumn, and it will advise on the direction of forestry and woodland policy in England and on the role of the Forestry Commission and the public forest estate. I hope that the independent panel will be able to look at all the questions raised in the consultation paper—it was published by DEFRA, but subsequently withdrawn—on the future of the Forestry Commission. Part of the difficulty in this whole saga is that the clauses relating to the commission in the Public Bodies Bill had, by necessity, to be published before DEFRA was able to publish its consultation on the commission's future. When their lordships considered a number of different issues in the Bill, they managed to get themselves confused and allow a considerable degree of speculation about what might have been happening when it was clearly not what was intended. I think that that was made clear by the Secretary of State's statement to the House.

Sir Peter Soulsby (Leicester South) (Lab): Could it not be that their lordships' understanding of the proposals was based on what was said to them by the Minister? He said that

"we wish to proceed with…very substantial disposal of public forest estate, which could go to the extent of all of it."

That sounds very clear and it is hardly surprising that their lordships took the Minister at his word.

Tony Baldry: That highlights a fundamental misunderstanding. The Forestry Commission has within its control two different types of woodland. It was brought into being at the time of the first world war to enable the country to have access to commercial forestry to provide timber for such things as pit props for the mines, and the vast majority of commercial forestry in this country—about 82%—is and has always been in private ownership. It would be very surprising if, at a time when we no longer expect the state to run airlines, own travel agencies, generate electricity or operate sewage treatment works, we thought that the state should be growing Christmas trees. Such a view is slightly bizarre.

The Forestry Commission also has heritage woodland within its ownership. I suspect that there has sometimes been a deliberate attempt by those wishing to create mischief to cause confusion between the Government's policy on commercial forestry and on heritage woodland. The Secretary of State could not have been clearer about the matter when she spoke to the House when launching the consultation paper: the Government consider those matters to be two very different entities. The Secretary of State could not made it plainer to the House that if appropriate bodies do not come forward to manage heritage woodland properly, that woodland will remain within the public estate.

I am conscious that other hon. Members wish to speak. The other points I want to make are that we have heard a lot about the Forestry Commission during the past few weeks, but I hope that the independent panel will give regard to how we can increase woodland cover more generally in the UK, particularly in England. On commercial forestry, I hope that the panel will consider the effect and impact of the tax regime in England in comparison with regimes elsewhere in the world—for example, considerable tree planting is taking place in the United States. The trust funds of universities such as Harvard, Yale and others are investing considerable money in commercial forestry because, as they are charities, there are incentives for them to do so under US tax law.

On heritage woodland, I hope that the Minister will be able to tell us what will follow the environmental stewardship schemes that have formed part of the rural development programme for England for a considerable time. It is clear that the majority of agricultural land is almost entirely in private ownership and therefore planting for new broadleaf community woodlands will almost certainly take place on private land. What incentive or encouragement will there be for farmers, as landowners, to plant new community woodland?

When the independent panel concludes its work, I hope that there will be two coherent chapters on different policies. I hope that there is one chapter on the future of commercial forestry—how we can encourage more of it in the UK—and the Forestry Commission, and a second on how we enhance heritage woodland and encourage access and amenity in relation to community woodland, as we did with the national forest and community forests. It should be on the record that the Government have made it very clear that they wish to enhance and protect the rights of access. I suspect that the main concern of a large number of constituents who have understandably contacted us about the issue is that they should continue to have access to woodland. That is very important. The Government have made it clear throughout that they want to protect access to woodland. However, that needs to be stated and restated time and again.

10.4 am

Mr David Anderson (Blaydon) (Lab): I thank my right hon. Friend the Member for Lewisham, Deptford (Joan Ruddock) for securing the debate. There are people who think that the issue has been resolved, but it clearly has not. This morning's discussions have shown that.

The hon. Member for Banbury (Tony Baldry) started his speech by saying that we should listen. I have spent my life listening to what Conservative Ministers have said. I read what they say and, more importantly, I always read between the lines of what they say. I do not need faceless bureaucrats or Government Front Benchers, who perhaps want to extend their already big land ownings, to tell me about heritage. My heritage is the coal mine industry. The hon. Gentleman mentioned that when he talked about the shortage of pit props during the first world war. My grandfather was a miner during the first world war, as were some of my uncles. They were working in dangerous conditions that were made even more dangerous by the shortage of things such as pit props. People were basically failed by the private sector and the Forestry Commission was set to ensure that such a situation did not happen again.

The heritage of the forest is more than just the heritage of the nation; it is the heritage of individual areas. The area of the world that I am massively proud to represent includes a place called Chopwell. In that area is Chopwell wood, which is owned by the commission and has been classed as a heritage site. We did not need people to tell us that because we knew it was our heritage. We believed that that was our land and that we owned it as part and parcel of the work we put into it. Anyone—no matter what their background or wealth—should be entitled to enjoy that country.

People came together to defend their woods against these proposals, including the Friends of Chopwell Wood, the Chopwell Wood Horse Riding Association, the organisation representing Northumbria ramblers, of which I am proud to be the president, and the people who represent the Friends of Red Kites in the North East of England. I am a member of that organisation, which has been involved with the re-introduction of red kites in the north-east of England during the past six years within 3 miles of one of the biggest shopping centres in Europe. The fact that organisations worked together in relation to Chopwell wood and other such places meant that the re-introduction of red kites was so successful. The re-introduction of red kites has been one of the most positive of any such actions that have thankfully taken place in this country over the past two decades.

We should take stock and say, "Where exactly are we?" A lot of people think that this battle has been won and that the Government have seen sense and have agreed that the forest will stay in public hands, but that is not the position we are in today. Let us remind ourselves what the Secretary of State said. First, she said that she had ended the consultation. Secondly, she said that the Government are supporting the removal of the relevant clauses from the Public Bodies Bill. Thirdly, she said that she has set up the review. That is all she has done. She has not stopped the Forestry Commission from being looked at in respect of privatisation and she has not cut off the potential for the whole of the estate to end up in private hands. That might not happen immediately, but it could happen over time.

A great concern of many of the campaigners—I am talking about people who devote their lives to these woods—was that they may well have had to take control and ownership of certain areas of the woods. They were worried that they could not sustain that. They were also concerned that, when they had gone, their children might not have shown any interest in the woods or have been able to manage them. Ultimately, the woods would have gone into private hands. That is the real issue.

The truth is that people do not trust what the Government have said. That comes through time and again. I read the consultation thoroughly and listened very closely to what the Minister has said because people do not believe that the Government will stick to what they are saying. What people believe is based on the Conservative party's history and the privatisation that people have seen under Tory Governments during the past two decades. Let us think about some of those things.

There was the deregulation of buses. If we had been in the House—some of us probably were—25 years ago, Ministers would have said, "Don't worry; the public will have control. This will give a bus to every community in this country." That has not been the case. Monopolies are running the buses and public service comes last. We could have had a discussion about the deregulation of the utilities. There was the "Tell Sid" campaign—tell Sid we are going to become a shareholding democracy. Now the big six utility companies are putting prices up by 9% when people have seen their pay frozen and their pensions held back.

Mr James Gray (in the Chair): Order. The hon. Gentleman is ranging rather wide of the debate today, which is the future of the Forestry Commission. Perhaps he could bring himself back to that topic.

Mr Anderson: I accept entirely what the Chair says, but I am talking about the reality of why people have not got on board with what the Minister, the Secretary of State and the hon. Member for Banbury, for whom I have a lot of respect, have said. They have said that people are not listening. People are listening, but they are saying, "We don't believe what we are hearing because we believe that what is happening is an attempt to dethrone us from where we were." We have been here before. We were here in 1992, when the previous Tory Government set up a review when there was a rising up when Michael Heseltine, who was mentioned earlier, decided he was going to close 31 of the most technologically advanced coal mines in this country.

Mr James Gray (in the Chair): Order. I am very sorry, but the hon. Gentleman really must confine himself to the future of the Forestry Commission, which is the topic under debate today—nothing else, just the future of the Forestry Commission.

Mr Anderson: Again, I take on board what the Chair says and I acknowledge that he may well not agree with where I am coming from, but the truth is—

Mr James Gray (in the Chair): Order. It is not for the Chair to agree or disagree with where a particular hon. Member is "coming from," as the hon. Gentleman puts it. It is my job to ensure that the debate is about the future of the Forestry Commission and nothing else. The hon. Gentleman will return to the subject of the debate; otherwise he will return to his seat.

Mr Anderson: I accept, again, what the Chair says and I hope that he will accept that we have a situation where people worry about what the future holds, because they do not trust what has happened in the past.

[Mr Anderson]

Another issue that people are unsure about is exactly where the Liberal Democrats are on this, because they will play a key part in deciding the debate about where this country is going. In the next period, what will they feed into the consultation? What is quite clear on the ground in Chopwell, is that the Liberal Democrats are nowhere to be seen, despite the fact that in part of that area Liberal Democrat councillors represent some of the people who live at the side of the woods. So people have the right to say, "Where are you?" We have been here before. In 1921, under a coalition Government of Tories and Liberals, there was an attempt to sell off Runnymede, of all places. That did not happen.

I come back to the statement made by the Secretary of State. She said:

> "I am sorry, we got this one wrong".

I think every one of us would admire the Secretary of State for saying that and accepting that, but she then said,

> "we have listened to people's concerns."—[*Official Report*, 17 February 2011; Vol. 523, c. 1155.]

Well, I am very pleased about that, but if she has listened to people's concerns, and if she has listened to the responses to the consultations, and if she has listened to the 500,000 people who signed up on the website, she will know that those concerns are saying one thing and one thing only: the Forestry Commission, and the 18% of forest lands that are in public ownership and control, must remain. If we end up, at the end of the review procedure, with anything other than that, then clearly she has not listened and has not responded to what the people of this country have said.

The truth is that the people of this country will be watching the Secretary of State, her ministerial team and the Government like a hawk for the next few months. They will be very concerned, as my right hon. Friend the Member for Lewisham, Deptford said, about the make-up of the independent panel. If there are no work force representatives, or representatives from green groups, on the panel, it will fail before it starts. If the terms of reference do not allow the latitude for the Forestry Commission to continue with full control and ownership, it will have failed before it starts.

To the people outside—wake up. Do not pretend that this is all done and dusted and that we had a great victory two weeks ago. We had some success two weeks ago, and it was people power that did it, but we have been here before: reviews have been used to put things on the back burner in the hope that we will forget about it and that it will be slipped through in six months' time. Do not fall for that one.

10.13 am

Damian Hinds (East Hampshire) (Con): I am grateful for the opportunity to speak in this important debate. I congratulate the right hon. Member for Lewisham, Deptford (Joan Ruddock) on securing the debate.

The background to this situation is that the Forestry Commission has been running a deficit—a microcosm of the overall national position—for some years, with the gap being plugged by asset sales. There is a revenue funding gap, which is being plugged by capital sales. That is not a sustainable situation, because in time the asset base runs down. Sadly, those assets that have been sold off have, in many cases, gone with inadequate protections. The Government's recent proposals clearly focused and magnified the great interest in our forests—in my own constituency, the much-loved Bushy Leaze, Chawton Park woods, Alice Holt forest and Queen Elizabeth country park. The correspondence that many of us received—we could all trade a considerable number of e-mails and letters—amplified how much, although we knew this already, people value the recreational benefits of those facilities, and want to protect biodiversity.

It is a little unhelpful to introduce things into the debate that are not directly relevant, such as climate change and the development of the countryside. As was pointed out, in this country, we cannot just fell large numbers of trees, raze them to the ground and build things. That is just not allowed, whoever owns the land, as I think the right hon. Lady knows. There are, however, a number of reasonable, legitimate and important questions, and people have some deep, understandable concerns about aspects of the proposals. One key point, with the distinction between heritage forests and other forests, is that the protections for the heritage forest are clear. However, people want additional comfort about forests that are not classified as heritage forests and, indeed, how they can appeal for a forest to be classed as a heritage forest. That is the case with some of the forests in my patch of East Hampshire.

I welcome the Government's new independent panel. I hope that it will be an opportunity for us to improve forest cover, relative to the starting point. It is worth restating that the Forestry Commission is not the only owner of forest. I was at a forest planting last week as part of the Woodland Trust jubilee project, which is an excellent project. The next opportunity is not just to protect, but enhance access and amenity. This debate has helped to put into sharp focus some of the issues not just for walkers, but for cyclists and horse riders. I urge the Minister to say a little more on those matters, and what he hopes will come out of the independent panel, which I very much welcome.

10.16 am

Roger Williams (Brecon and Radnorshire) (LD): Thank you, Mr Gray, for allowing me to speak in this debate. I will keep it short. I congratulate the right hon. Member for Lewisham, Deptford (Joan Ruddock) on securing the debate. I well remember her contribution as a Minister in the Department for Environment, Food and Rural Affairs in previous Parliaments.

I would like to declare an interest. I am a member of a partnership that is in receipt of a farm woodland grant from the Forestry Commission to promote both the management of woodlands under our responsibility and the public good through, for example, access and biodiversity. I will return to that—not that I am an example of a good forester, although I am an enthusiastic one—because it is not just the public estate that is important for access and biodiversity, but private woodland and private forestry too.

I have another small interest to declare. Some members of my family, although not immediate members, are involved in the sawmill industry, which is a commercial aspect of forestry that has not been mentioned today. Many jobs in my constituency are dependent on sawmills and on a consistent throughput of material, both in quality and quantity, to go into those sawmills. Sadly, only 10% of all timber used in this country for construction or for furniture manufacture originates in this country, but that is still an important part of the rural community.

Sadly, the House has not shown much interest in forestry until the past couple of months. In fact, in almost 10 years as an MP, we have had no debates in Government time on forestry. We have had one debate in Opposition time on forestry, and that was the recent debate. We have had two Adjournment debates on the New Forest. We have had two Westminster Hall debates, one sponsored by the hon. Member for Christchurch (Mr Chope) and, in 2005, one that I sponsored. Unfortunately, DEFRA did not manage to put up a Minister to reply to the debate, such was its interest in forestry, and the reply was made by a member of Her Majesty's Treasury team—the former Whip, Nick Ainger, who is no longer a Member of the House. We had a good debate in this Chamber for 30 minutes.

That is the sum total of interest that the House has shown in forestry in the past 10 years, so I am pleased that we are now able to debate this issue more calmly than we did a fortnight ago—I am sure that the Minister is not very pleased that it has caused the interest that it has—because the future of forestry in this country is important. Some 20% of the forest cover in England is in the public estate, and 80% is privately held. Of that 80%, 40% is either undermanaged or not managed at all, and that is a real challenge for the Forestry Commission in the future. How can we better manage that woodland, not only in commercial terms but also in terms of access and biodiversity?

Jim Shannon: Is the hon. Gentleman aware of the sporting potential of forests, and therefore their economic benefits as well? Does he agree that perhaps that has been overlooked when it comes to any potential sales or otherwise of forests?

Roger Williams: The sporting potential of forests should be taken into account. One of the points that I would make if I had more time is about the great demand on our forests for different kinds of access. In my area, there are not only walkers, cyclists and horse riders, but people who go scrambling and rally driving as well. Rally driving and horse riding do not go together very well, so we have to manage the diverse demands on our forests.

Yes, the Forestry Commission was set up in response to the lack of timber for pit props, but its reputation has not always been as holy as it is now. Indeed, the contraceptive conifers that march up and down our woodlands were all planted by the Forestry Commission. The planting of the Flow country in Scotland, where we had the last of our native conifer woodland, was not to its glory, but, yes, it has improved; it has altered its terms of reference and its priorities.

When the panel meets—I hope that it will be called the wood panel, because everyone would then be able to recognise it—I hope it will take into consideration not only the public estate, which is managed by the Forestry Commission, but private woodland as well, which can make a huge contribution in this country. As someone said, we probably have less woodland cover than almost any other European country, so it is important that we take private woodland into account. The Forestry Commission is already making planting grants to the private estate, so that would be within the panel's terms—at least, I hope that it is—because, in making those grants, we can ask for public good to be demonstrated. We can ask for access and improvements in biodiversity.

We should remember that conifer woods are not completely aseptic, or without any life at all. In fact, the red squirrel and the dormouse have been shown to use such habitats, so they are important. The Forestry Commission also has a big part to play in ensuring that there is a supply of timber to go through our sawmills, so I would ask the Minister whether there is any way in which all of that can be taken into consideration. In the enthusiasm to protect our public estate, we have forgotten about the contribution that private woodland makes as well.

10.24 am

Glyn Davies (Montgomeryshire) (Con): I am grateful for the opportunity to speak in this debate. I have been inspired to speak by the previous contributions, particularly that of the right hon. Member for Lewisham, Deptford (Joan Ruddock). I congratulate her on providing this useful opportunity to have a considered discussion about an issue that is hugely important to me personally. I am enjoying the debate.

I agreed with much of what the right hon. Lady said about objectives. I love forests. As a farmer, I planted forests on my land, purely for my own pleasure—they are of limited commercial benefit. Like the hon. Member for Brecon and Radnorshire (Roger Williams), I, too, should declare an interest, albeit a small one, in that I planted woodlands with the support of Forestry Commission grants, and my main farm is surrounded by Forestry Commission land.

Clearly, the objective has been to increase biodiversity. That is a stated objective of the Government as well as the Opposition. It is also hugely important that we increase and improve access. I must say that when I first saw reports on the coalition Government's intention to change the ownership of woodland, I had personal concerns because of my huge interest.

When I was a young man, I spent much of my time on Forestry Commission land at Cwmystwyth in central Wales looking at red kites. I make this point because it is relevant to another contribution that we heard. There were probably no more than about a dozen red kites left in the whole of Britain. The only way we were able to reintroduce the red kite into central parts of England—people can now see them everywhere along the M40 as they drive into London—and the north-east is because many people in mid-Wales put in a lot of voluntary effort to retain the red kite when its very existence was threatened.

The one part of the right hon. Lady's speech that caused me concern was the way in which she misinterpreted what the coalition Government intended to do. Like other Members, I have received letters and e-mails—I think there were 250, although the proposals did not even apply in Wales. Even before I heard the Secretary of State's statement in the House, I thought that people had misunderstood what the Government were proposing. After the statement, I wrote to those 250 people and sent them a copy of what the Secretary of State actually

[Glyn Davies]

said in the House. Much of the statement was drowned out—it was a noisy, highly emotional debate, and I do not think that people actually heard what was said. I have not had 250 e-mails back, but I have probably had 15, and people are saying, "We didn't know that. We didn't understand what the Government were actually planning to do." They were much more supportive of the plans. However, I do not want to hark back too much to that, because we are now moving forward.

Joan Ruddock: Is it the hon. Gentleman's understanding that the Government were proposing—and, therefore, could propose again in future—the disposal of anything up to the whole national forest estate? He has criticised use of the words "sell off", but "disposal" would mean that the Forestry Commission and its comprehensive approach to the national forests would no longer exist. The situation would be very different.

Glyn Davies: No, that was not my understanding. Clearly, I had an interest, and I had concerns because of reports in the newspapers, but I must admit that I do not always believe everything I read in the newspapers. Sometimes interesting issues are raised, but that was not my understanding, which was why I said that I waited to hear exactly what the Government were proposing before making a judgment. I thought that the speech in the House during the last major debate was sensibly based.

However, I want to move on from that to an issue of concern that has not been addressed: the position of the Forestry Commission as both regulator and a major operator in the field. That is a real issue which, at some stage, the Government will have to address. It cannot be right that the body that is the main commercial operator in the field also regulates all its competitors. That matter will have to be dealt with. The one other aspect to which we must refer—this something which my hon. Friend the Member for Banbury (Tony Baldry) raised—is dealing with commercial property. I cannot see the sense in Government dealing with commercial forestry. Changing the ownership or management of forestry through lease is crucial. We have to get back to a position of maintaining or increasing access, increasing biodiversity wherever possible, and contributing to fighting climate change if that is part of the wider debate, as it should be. That can be better done through lease than sale, which is why I hugely welcomed the original debate.

I want to refer to Wales. I live in Wales, and a lot of people say that the Government there are taking a completely different line on the issue. The hon. Member for Brecon and Radnorshire made that point. What is proposed in Wales is that the estate should be retained, but there will be improved and more dynamic management, and there will occasionally be sales. That policy really is not very different from what we might propose. One does not know where we go from here, but a report is coming, and things will not be the same as before. To say that we will simply retain forestry in aspic in the other nations is not accurate. In all areas, where a large part of land is owned, there has to be a degree of flexibility and of management responding to conditions as they come along, and that will be what we will do. That is all I wish to say.

10.31 am

Sir Peter Soulsby (Leicester South) (Lab): I join other hon. Members in congratulating my right hon. Friend the Member for Lewisham, Deptford (Joan Ruddock) on securing the debate. It is clear from the contributions that Members have made that, despite the Government's somewhat change of approach, this is still a current issue for us. As she reminds us, the context of her request for the debate was the threat to England's woodlands and forests seeming immediate and imminent. Although there has been some change since then, that threat has not gone away, as she and my hon. Friend the Member for Blaydon (Mr Anderson) reminded us.

It is evident from the contributions to this debate and to the debate in the main Chamber on 2 February that our forests and woodlands are precious to us and to our constituents. The steward of those forests and woodlands—the body that has oversight of them on our behalf, which cares for, looks after and nurtures them—is the Forestry Commission. Its role in undertaking those tasks on our behalf is vital. It is vital for the land that it directly manages, for the oversight, regulation and advice that it provides to others, and, most particularly, for the example that it sets to others on how to manage the woodland under its control.

As the debate on England's forests on 2 February highlighted, the Forestry Commission manages 258,000 hectares of land in England. As pointed out during the debate, that represents only 18% of all woodland in England. That 18% represents only 44% of the total woodland accessible for the public to enjoy and appreciate. Our debate today is not simply about the woodland in England, but about the Forestry Commission in general and its stewardship.

Roger Williams: The hon. Gentleman makes a good point about the public estate being only 44% of publicly accessible land and about how much public access is provided by the woodlands and forests in private ownership.

Sir Peter Soulsby: That is indeed the case. As I acknowledged, we very much welcome the fact that the Forestry Commission, in the exemplary way it manages its land—promoting biodiversity, providing education, interpretation and access—offers an example to others, which some follow.

Woodland managed in England is only about one third of the total woodland and forest managed by the Forestry Commission across Great Britain. It is estimated that that is more than 1.4 billion trees—although I do not think that anyone has actually counted them all.

The hon. Member for Brecon and Radnorshire (Roger Williams) spoke about how the Forestry Commission dramatically has changed its approach to management over the years and about how it has become an exemplary organisation. It is a major land manager that sets very high standards. It has one of the largest collections of sites of special scientific interest, with an excellent record of 99% being in favourable or recovering condition. It provides for a substantial number of visitors, and is estimated to have had more than 40 million visits last year. He put his finger on it when he mentioned previous debates—

Roger Williams: Lack of.

Sir Peter Soulsby: Or the lack of debates on forestry in the House over recent years. That is interesting because I think that it points not to a lack of interest in forestry, but to a belief, up until now, that the forests were in safe hands and it was not a matter about which Members needed to concern themselves. That was why it was so distressing and surprising when we heard the Government's proposals to sell 40,000 hectares immediately. The hon. Member for Daventry cannot get away from it and the hon. Member for Montgomeryshire (Glyn Davies) cannot suggest that we misinterpreted the Government's intentions. As shown by the quotes earlier, the Government were clear about their intentions for the public forest estate. I quote the Minister of State, Department for Environment, Food and Rural Affairs:

> "We wish to proceed with very substantial disposal of public forest estate, which could go to the extent of all of it."

That is clear. People were not making it up. People did not misunderstand it. Those words meant what they—

Mr Paice: Rubbish.

Sir Peter Soulsby: They could mean nothing other than that. There could be a wholesale sell-off. The outcry was totally predictable to everybody other than the Minister and his colleagues. They tried to dismiss that as scaremongering, and in the run-up to the 2 February debate, they said that they were doing it for the money. Perhaps the Minister will explain some of the figures behind the proposals and say what he now believes the net proceeds would have been. They tried to justify the sale in that way, and when that fell apart, they tried to justify it in terms of the big society. But that fell apart and, as we heard again from Government Members, they invented the spurious explanation that it was about trying to resolve a conflict of interest within the organisation of the Forestry Commission. It was somehow inappropriate for the Forestry Commission to be both the operator and the regulator, and it was incapable of doing something that it has done successfully for many decades.

Neil Carmichael (Stroud) (Con): I did not really support the plans the Government introduced, but I thought that it was right to have a consultation period, for which I voted. Does the hon. Gentleman agree that we should think more about what the independent review might say and about how we might funnel our views and the views of our constituents towards it?

Sir Peter Soulsby: I will come to questions to the Minister about how independent the review will be and what its terms of reference will be in one moment. Before doing that, I will return to the concerns about the continuing threats to the Forestry Commission's work expressed by my right hon. Friend the Member for Lewisham, Deptford when she introduced the debate and later by my hon. Friend the Member for Blaydon. They pointed out that although it appears that there has been some pause in the Government's headlong rush to dismantle the public forest estate, they are pressing ahead with requiring the Forestry Commission to make substantial cuts in its staff. Some 400 jobs—about a quarter of the total—are at risk immediately. That will inevitably reduce its capacity to undertake the excellent stewardship achieved over recent years. Its ability to manage the deer and wildlife will be reduced, learning and educational programmes will be cut, and there will inevitably be extended charges for services or the shutting of facilities. Elements of what the Forestry Commission manages directly and excellently at the moment will have to be passed over to others.

I have a number of questions for the Minister. My right hon. and hon. Friends have already mentioned some of them, but I will list the points again and allow the Minister plenty of time to respond. When will the Government bring forward details of who will sit on the new panel, and how will they guarantee the independence of that panel? Will the panel include public and local campaign groups that have been involved in the campaign to save the forests, and will it include members of the work force? Will the panel meet in public? Will all existing planned sales be halted pending the panel's report?

Will the panel be able to recommend maintaining the land in public hands? The Minister muttered "Rubbish" from a sedentary position when this point was raised earlier, so perhaps he will take the opportunity to tell us if it is untrue. How can the Government deliver better woodland access and biodiversity when the Forestry Commission is cutting staff by a quarter over the next three months? Finally, will any future receipts from sales of land stay within the Forestry Commission so that they can be used for the enhancement of our public forest estate? That is what the previous Government did and, as my right hon. Friend the Member for Lewisham, Deptford reminded us, it is something of which we are proud.

The public were appalled by what the Government proposed, and they understood clearly the full extent of what it might mean. Those who campaigned so effectively were aware of the threat to our precious woodlands and forests, but they must be reminded that the threat has not gone away, and we have had the opportunity to do that today. Conservative Members have been dismissive of those fears in the past, and we have heard such fears dismissed again today. Hon. Members from all sides must have heard the clear message during the run-up to the debate on 2 February, and it is still something that we need to hear. Our woods and forests are just that—they are our woods and our forests. They must be kept that way and properly managed by the Forestry Commission, an organisation that has an excellent record in the stewardship of those precious assets on our behalf.

Tony Baldry: On a point of order, Mr Gray, for the benefit of *Hansard*, I am the hon. Member for Banbury, not the hon. Member for Daventry.

10.43 am

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): I have attended many debates in Westminster Hall, which is normally a place for relatively non-controversial issues to be raised and discussed in a calm manner by hon. Members from all parties. I am afraid I cannot say that of today. The opening speech by the right hon. Member for Lewisham, Deptford (Joan Ruddock) repeated many of the myths and nonsenses that we have heard during previous discussions and questions about forestry. It was not the serious contribution to the future of the Forestry

[Mr James Paice]

Commission that my hon. Friend the Member for Brecon and Radnorshire (Roger Williams) referred to and urged upon us.

I will address some of the key issues and respond where I can to the questions raised. My hon. Friend the Member for Banbury (Tony Baldry) rightly pointed out that part of the public concern arose from the Public Bodies Bill. One can look back and say that the cart was put before the horse, but because we believed that changes to the Forestry Commission were necessary and we were conscious of the constraints of the legislation, we decided to put the provision into what appeared to be a suitable vehicle to permit us to make those changes. I am the first to recognise that, together with the remarks I made to which the hon. Member for Leicester South (Sir Peter Soulsby) referred—I am not withdrawing those remarks, but they were back in October—that allowed people to become concerned. As it happened, that concern was unnecessary, but it allowed a number of myths to gain credence.

In the communication to which the hon. Gentleman referred, I used the word "disposal" carefully. I did not use the word "sale" because, as will be observed, the consultation document often implied disposal but not sale. Part of the absurd nonsense from the right hon. Lady included the figure of £745 million, which I suspect she took from the Forestry Commission's annual report. That is actually the book value of all the public forestry estate, prior to any discounts for the preservation of access and other public interests. It includes the book value of the New Forest and the Forest of Dean, and we made it clear that for both of those the disposal was to be free—gratis—had it gone through. The right hon. Lady's figures were absurd; the concept of disposal included a free handover to a charitable trust.

Joan Ruddock: I am more than happy to be corrected. Perhaps the Minister will let us know the estimate for the amount of money that would be raised by the disposals of which he speaks.

Mr Paice: As the right hon. Lady knows, the consultation document contained a lot of variability, particularly about what might be called the middle strata of woodlands and forests—not heritage but not the main commercial areas—where there was a range of options. The income from that is not easy to estimate, but we published an impact assessment as required, and the figures are in the public domain. I repeat: the primary objective of the proposition was not simply to raise cash. I will return in a moment to the issue of ongoing sales.

The right hon. Lady referred to the 0.5 million people who expressed concern about this matter. I cannot help but observe that she took a lot less notice of the 0.5 million people who opposed a ban on fox hunting and whom she treated with disdain.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): Selective.

Mr Paice: Quite. As we have said, and as the Secretary of State said in the House, we recognised that public concern was raised dramatically, and that it was a pointless exercise to continue with the consultation in that environment. Therefore, we have withdrawn it and I do not propose to waste more time discussing what was or was not in the consultation document. That would not be constructive.

The issue was raised of the ongoing sales, or the 15% of the Forestry Commission estate that is in the spending review for the next four years. It is estimated that we would have raised £100 million from the sale of up to 15% of the forestry estate in England. The hon. Member for Leicester South asked what is happening to that, and as the Secretary of State made clear, we have suspended that process. No parcels of land or forests will be offered for sale until the panel—to which I will refer later—has reported and made recommendations regarding the protection of public interests. At the moment, there is no direct financial consequence. The £100 million, although placed in our spending review, was not allocated to any heads of expenditure. Therefore, other than a short-term cash-flow issue, there are no direct consequences of deferring those sales. I hope that explanation has clarified the issue.

A point was made about sales by previous Governments. Again, that makes me doubt the right hon. Lady's—the hon. Lady's—

Joan Ruddock: Right honourable.

Mr Paice: My apologies. It makes me doubt the right hon. Lady's commitment to the whole picture. On her website, she has been on about how much land the previous Conservative Government and the Forestry Commission sold. Of course, she omits to point out that most of that was in Scotland, because under that previous Government the Forestry Commission was one body, so in comparison with what happened under the Labour Government, who were selling only in England after devolution, the figures look dramatically different. She also omitted to mention, although one of my hon. Friends did mention it, that under the previous Government tree planting fell to an all-time low. The rate halved under the Government of whom she was so proud to be a member.

Much has been said about the fact that the public forest estate comprises just 18% of all woods and forests in England. We should not in any way ignore that statistic. It is clear that many people were confused about how much of the forestry in this country was owned or rented by the Forestry Commission. It is just 18%. Although the right hon. Member for Lewisham, Deptford and other hon. Members have been, by implication, quite damning of the 69% that is held in private hands—the rest is in other forms of public or community ownership—we do not see with that 69% all the disasters that we were told would befall public land if it went into the private sector. As my hon. Friend the Member for East Hampshire (Damian Hinds) rightly pointed out, people cannot fell trees in this country without a felling licence, and almost certainly they will have to replant. Indeed, since I have been the Minister responsible, I have had to intervene on a few occasions to enforce the replanting requirements to ensure that that happens. Therefore, suggestions of massive deforestation are completely absurd and take us away from the serious debate that others want to address.

Let me deal with some of the specific questions that I was asked. I will not disclose anything about the content of the panel, because the Secretary of State will announce in due course who will serve on the panel and what its terms of reference will be. I can emphasise, though, that the status quo—the hon. Member for Leicester South asked about this—is of course an option. If the panel recommends that, clearly it is entitled to do so. To rule it out would be nonsensical. If the panel recommends change, the issue of public consultation comes back into play, so there will be plenty of time. The hon. Member for Blaydon (Mr Anderson) said that if the panel concludes in favour of anything other than the status quo, we will not have listened to the public. I say to him that we will consult the public about any changes if the panel recommends them. I do not want to prejudge what the outcome of the panel will be.

The hon. Member for Leicester South asked how we would guarantee independence. The chairman will be appointed and will be completely independent; indeed, all the members will be. We are not filling the panel with civil servants or anything like that. It will be completely independent. It will be for the members to decide how they operate, but I cannot see why they should not have public meetings if that seems appropriate.

The hon. Gentleman asked about the 25% cut, and other hon. Members have raised that. All Opposition Members should be well aware that they managed to leave this country in desperate straits and we have had to take very tough decisions on public expenditure. All DEFRA's arm's length bodies have had to take a 25% cut, just as core DEFRA has had to. That is tough, and I feel for all the people who may find themselves losing jobs or not being able to get a job because the job has disappeared as a result. However, as my right hon. Friend the Prime Minister has made clear, the deficit must come first—we must deal with it. I will not apologise—indeed, it should be for those on the Opposition Benches to apologise—for the fact that we have had to make those reductions. The details of how they will be made in this area are a matter for the Forestry Commission. It has made its proposals, which are out for consultation. It would be wrong of me to discuss them in public while that consultation is going on.

A number of other points were raised. I shall try to encapsulate some of them but, most importantly, I want to make the point that, contrary to the impression that the Opposition have tried to give, the Government feel very strongly about forestry. Perhaps I should have said, like other hon. Members, that I have the grand total of 1 hectare of woodland on my own little property. Like others, I planted it myself 20 years ago under a woodland grant scheme, although that has long since expired, and I am proud to spend a lot of time in it managing it. I passionately believe in the importance of forestry. What I do not believe is that the status quo is automatically always the best way forward. It is right that we should reconsider how the Forestry Commission operates, and the panel will advise us on whether there should be changes.

It is worth pointing out that the Forestry Commission's commercial arm makes a margin of just £1 million on its commercial activities. That is substantially offset by the understandable costs of recreation, amenity, biodiversity and the other services that the commission provides, as a number of hon. Members rightly identified. That means that there is a massive overall cost to the taxpayer. As my hon. Friend the Member for Banbury said, in the past the commission has made that up by selling off assets on an annual basis, and it has been selling those assets without the protection for public access, rights of way and all the other things that Opposition Members now preach to us about. Those things were not protected, so Opposition Members are not in a good position to criticise us.

We hope that the panel will consider all aspects of the public forest estate. As I said, the Secretary of State will publish details of the proposed membership and the terms of reference of the panel shortly. We look forward to the conclusions that it comes to. I can assure the House that the present Government's genuine commitment to forestry in this country—public, private and community—is real and as strong as it has ever been.

The truth of what I have just said is underlined by the fact that, as my hon. Friend the Member for Banbury said, the National Forest was brought in by a Conservative Government, who did a tremendous amount of work in developing forestry in the former coal mining areas of the midlands. That is a great place for everyone to visit. The real point to make, though, is that virtually none of it is on state-owned land. Planting has been incentivised on private and community-owned land, not public land bought by the Forestry Commission. Therefore, we can have a vibrant, strong forest in this country, with access and with all the necessary protection for biodiversity. Whether the state needs to be involved not only in owning it but in managing and running it is now a matter for the panel, the details of which we will announce shortly.

Sir Peter Soulsby: I understand the Minister's reluctance to give the names of those who might serve on the panel, but surely he will accept that it is important that those who have spoken out so strongly on behalf of woodlands and forests have their voice heard on that panel. Will he at this stage agree to ensure that on that panel are members of the public and local campaign groups who have been speaking so vehemently on behalf of our forests?

Mr Paice: I am sorry, but I will not be drawn on the membership of the panel because once I give way on one aspect of who might be on the panel, I will be drawn into discussing everything. The Secretary of State will make the announcement shortly. I hope that we can then go forward with the seriousness of approach that my hon. Friend the Member for Brecon and Radnorshire mentioned so wisely in his contribution.

Search and Rescue Service

11 am

Sir Alan Beith (Berwick-upon-Tweed) (LD): I am grateful for the opportunity to raise this extremely important matter, which has exercised the House for some time. I have raised it on several occasions, and it is time that we looked in detail at what the future holds for the search and rescue service, on which we all depend.

The search and rescue service covers 1.25 million nautical miles of sea and 10,000 nautical miles of coastline, as well as the entire land area of the United Kingdom. It is a joint service, which is operated by the RAF, the Royal Navy Fleet Air Arm and Her Majesty's coastguard. It uses more than 40 helicopters from 12 bases around the UK.

HM coastguard uses Westland AW139s and Sikorsky S-92s, which are under contract to the Maritime and Coastguard Agency. The RAF and the Royal Navy use Sea Kings. The Sea King has four crew members—the pilot, the co-pilot, the winchman and the radar operator, who is also the winch operator. There are two versions of the Sea King: the Mk 3, which entered service in 1977, and the Mk 3A, which is slightly newer. The age of the aircraft has been causing significant technical problems, and they require constant maintenance to keep flying—a point to which I will return.

The RAF bases are RAF Boulmer, which is the headquarters of A flight and 202 Squadron; RAF Lossiemouth, on the Moray firth; RAF Valley in Anglesey, where Prince William is based; Leconfield, near Hull; Chivenor, in Devon; and Wattisham, in Suffolk. The Royal Navy bases are Culdrose in Cornwall and Prestwick in the west of Scotland. HM coastguard operates from Lee on Solent, Portland, Stornoway and Sumburgh in the Shetland islands.

The RAF has just celebrated 70 years of involvement in the search and rescue service. It has 16 Sea King Mk 3 and 3A helicopters in service, which are divided between 22 Squadron and 202 Squadron. Each squadron maintains a 15-minute readiness state during daylight hours and a 45-minute readiness state during the hours of darkness. 22 Squadron operates out of Chivenor, Wattisham and Valley, while 202 Squadron operates out of Boulmer, Lossiemouth and Leconfield. The training unit operates out of RAF Valley with three Griffin HT1 helicopters.

In Boulmer, which is in my constituency, the RAF search and rescue service is a source of enormous local pride and satisfaction. It is hugely respected and very involved in the local community, and the RAF helicopter is often to be seen not only engaged in operations or training, but supporting local community events. That, of course, is good public relations for the RAF and adds to its excellent reputation in my area. Indeed, such activities are such a prominent feature of the RAF's work that they tend to distract attention from the fact that the vast majority of the work done at RAF Boulmer is in the very different field of monitoring and guarding our skies and training people. None the less, it is the familiar yellow helicopters going about their rescue and training work that enjoy the greatest and most immediate public awareness.

Under the previous Labour Government, a private finance initiative contract proposal was developed under the name of search and rescue harmonisation. Commonality of function between the MCA and Ministry of Defence helicopter forces, and similar time frames for the potential introduction of new aircraft fleets, led Ministers in the MOD and the Department for Transport in May 2006 to announce a cross-Government approach to the acquisition of a harmonised UK SAR helicopter service. A joint project team from the two Departments was tasked with running the project, which was essentially a Labour privatisation project. I say that not as a criticism, but simply to set out the context, because if this Government contemplate privatising anything, the Opposition tend to say that they would never consider such a thing. However, the previous Government did devise a privatisation project, and that was because they thought that such a project was essential to ensure that new helicopters could be provided relatively quickly to replace the Sea Kings. The total project contracts were worth £6 billion.

During discussions on the project, a number of concerns arose and were subject to quite a lot of public discussion. What aircraft would be used to replace the Sea King? How long would it take to get them into service? Which personnel would be required to operate the new service? Would they be drawn from the military, civilian life or a mixture of the two? If there were to be a mixture of military and civilian personnel, how would that work in practice, given that the civilians would be covered by the European working time directive, while the military personnel would not? That has already caused issues at the coastguard-operated bases in the Hebrides and the Shetlands. Consideration would also need to be given to the equalisation of pay and other conditions.

What training would air crew receive? At the moment, there is a fairly heavy dependence on experienced personnel with RAF training moving into other areas of search and rescue and other helicopter services. Of course, it is true that RAF training is heavily drawn on in aviation more widely. Furthermore, what arrangements would be provided for SAR cover in the Falkland islands under the SAR helicopter scheme? SAR in the south Atlantic is currently provided by the RAF, using the same crews who man our stations in the UK. That is done on a six to seven-week rolling rotation, with two crews of four personnel based in the Falklands at any one time. A normal feature of a career spent in a search and rescue aircrew will therefore be time spent in the Falklands.

Where do the prospects of a new helicopter with faster flying speeds and a longer range leave the existing basing pattern? What changes would be feasible under SAR? Linked to that, would 24-hour cover be provided by each base? An early answer to that question made it clear that there were proposals to reduce the cover at a number of bases to 12 hours, after which time the area for which the base was responsible would be covered by the base in the adjoining area. That raised great concern. In the Lake district, for example, rescue operations are often mounted by the RAF Boulmer helicopter, and there was particular concern that the area could not easily be served from other bases. Those bases would, like Boulmer, have extensive responsibilities for the North sea and the east coast, and their helicopters could easily be on a rescue operation and be unable to respond. Bases would be covering two huge areas—their own area and the neighbouring area—so there was a lot of concern about the idea of 12-hour operation. Following a number of meetings with Ministers and others, it was decided that RAF Boulmer would continue to provide 24-hour cover, at least until new helicopters with greater range and the ability to reach other areas at greater speed were introduced.

In the course of the project, bidders were identified, although some did not stay the course until the end. On 9 February 2010, the Soteria consortium was identified as the preferred bidder. The consortium was made up of CHC Helicopter, which is the largest global supplier of civilian helicopter services and the current provider of the MCA's interim SAR service; the Royal Bank of Scotland, as a PFI equity investor; Thales UK, the well known defence contractor, which has been involved in a number of PFI and partnership projects; and Sikorsky, which has long experience in the design and manufacture of military and commercial helicopters.

The consortium proposed a fleet of 24 Sikorsky S-92 aircraft, with a top speed of 190 mph and a cruising speed of 167 mph. The S-92 would have been fitted with an internal fuel tank, increasing the aircraft's flying radius to 310 statute miles. The aircraft would also have been fitted with the latest high-speed twin hoist, providing for the possibility of single-hoist failure. It would also have had a 300-foot hoist cable and a lift capacity of up to 600 lb at 350 feet per minute. It is hard to envisage being raised on a winch at 350 feet per minute, but such things are necessary in certain situations—for example, on the moving deck of a ship in rough seas. The aircraft cabin would be fitted out to allow paramedic medical care to be administered to a casualty. The ramp at the rear of the aircraft would provide access for loading and unloading stretchers, incubators and medical equipment and access for rescue teams and their equipment. The other major bidding consortium went under the name of AirKnight, but two further consortia pulled out at a relatively early stage in the process.

At some stage—I must confess I now forget when it was—responsibility for the future operation was transferred from the Ministry of Defence to the Department for Transport, which is why the Minister with whom I deal with all sorts of other transport issues is replying to the debate. All that I have described of course preceded the dramatic events of the suspension of the SAR-H scheme and its subsequent abandonment. The first stage of that was just part of the process of the incoming Government reviewing the spending commitments left to them by the previous Government. In June the Chief Secretary to the Treasury announced that the Government had identified several projects, some of which were dropped, while others were to be reviewed. SAR was one of the reviewed projects.

Ian Paisley (North Antrim) (DUP): I understand that on average over the past five years there have been between 80 and 120 mountain rescues in the United Kingdom. Does the right hon. Gentleman think that such rescues could adequately be carried out using non-military personnel and equipment, in a way similar to what happens in France and the United States; or should they remain in the hands of the military?

Sir Alan Beith: Some of the rescues are done in that way even now. Not all SAR services are provided by military crew, but a high degree of training is required, and there must be consistent co-operation with local organisations such as mountain rescue teams. That depends on consistent good working relations. The military operators such as RAF Boulmer and 202 Squadron have done that particularly well. In general I think that most people feel more confidence about military crew, because they know the high standards of training that are involved. However, it is quite an expensive way to provide the service, and other options probably should be considered. Some of the training and experience that the military has, and some of its operational practices, would need to be transferred if there were any wider civilianisation of the service. The hon. Gentleman is right to raise that as a matter of concern.

The review announced by the Chief Secretary was about cost-effectiveness, against the background of a huge deficiency in defence capital programme funding. It was not about the issues that finally brought down the contract. Indeed, Ministers were on the point of announcing the final decision on the contract. Various other things had been going on, however. There were rumours that as part of the comprehensive spending review the Government had proposed that the project should be rewritten, so that an entirely civilian work force would operate the service, rather than a mixture of civilian and military personnel. Of course, if the Government had done that, it would have created a big saving, because it would have taken about 66 higher-paid military personnel out of the project, and probably created up to an additional £100 million over the lifetime of the project in personnel costs for the contractor. It also sidestepped the problem of some personnel being subject to European working time directive rules, while others were not. That issue was rumbling in the background.

On 16 December a dramatic announcement was made—I think that it was the very day on which we were to have heard the final decision about the contractor. The Secretary of State for Defence announced that information had come to light about the preferred bid in the search and rescue competition, which required clarification. The preferred bidder had informed the Government of irregularities in the conduct of the bid team, which had only recently come to light. The irregularities included access by one of the consortium members, CHC Helicopter, to commercially sensitive information about the joint Ministry of Defence and Department for Transport project team's evaluations of industry bids, and evidence that a former member of that project team had assisted the consortium in its bid preparation, contrary to explicit assurances given to the project team at the time.

I believe that a considerable time previously a letter went to the Ministry of Defence warning it of potential irregularities of that nature. One of the matters that I hope is being investigated is why that warning was not heeded. Of course many other matters are being investigated as well, not just by the Ministry of Defence but by the police. A former member of the MOD team, subsequently employed in the industry, is, I believe, the subject of investigation. I do not know to what extent others are as well.

On that basis, we were told that

> "the Government have sufficient information to enable them to conclude that the irregularities that have been identified were such that it would not be appropriate to proceed with either the preferred bid or with the current procurement process."

The statement continued:

[Sir Alan Beith]

> "The Department for Transport and the Ministry of Defence will now consider the potential procurement options to meet future requirements for search and rescue helicopters in the United Kingdom, including options to maintain continuity of search and rescue helicopter cover until new longer-term arrangements can be put in place.
>
> We will make a further announcement once a way forward has been agreed."—[*Official Report*, 10 February 2011; Vol. 523, c. 17WS.]

That brings me to the focus of today's debate, which is what progress has been made in reaching those decisions and when we are likely to get a proper announcement about it. Other factors could be at work. There is the potential for legal action involving contractors. An unsuccessful contractor might want to pursue the successful one over bid costs incurred. There might be legal action between the Government and a contractor. The Minister may be inhibited in what he can say about that, but it could be going on at the same time.

What will happen next? The Sea Kings were due to be withdrawn by 2016 or 2017. They are ageing and they continue to need substantial levels of maintenance to keep them operating. Those of us who keep in close touch with the search and rescue service know that there are many occasions when the Sea Kings are not available to fly. I have seen that for myself. I was flying in a Sea King that returned to base because the radio system failed. The other aircraft was on land having returned from necessary maintenance work, and was not yet tested and available to take over. At that point therefore neither was available. There have been moments when no helicopter has been available at Leconfield, Lossiemouth or Boulmer at the same time. That clearly is a situation we cannot allow to continue.

Mr David Laws (Yeovil) (LD): I congratulate my right hon. Friend on securing an extremely important debate. I urge him to keep an open mind about whether a life extension to Sea King could be a short and medium-term option. Is he aware that in the United States, Germany and India the Sea King fleets, which are all older than ours, are having their lives extended, and that on the whole Sea King availability recently has been quite good?

Sir Alan Beith: I am grateful to my right hon. Friend who, from his constituency, knows well the work of Westland in that area. I have an open mind about whether a major refit of at least some of the Sea Kings could be carried out. It is one of the options to be considered. However, we cannot simply go on as we are with relatively short-term maintenance of the Sea Kings.

The personnel who work in search and rescue with the RAF and the Royal Navy are also in limbo. That is also true of the Maritime and Coastguard Agency personnel, although they already have a contract; but it expires within the year, I think, so they too are in a state of uncertainty. The Government need to get a grip on the situation and some people need to know pretty soon, for their careers, what will happen. Are they likely to have a future in search and rescue, whether on the military side or as contractors' employees? What will happen?

We also need to bear in mind some of the warnings given during the contract process. My right hon. Friend the Member for Orkney and Shetland (Mr Carmichael), to whom I am sure the Minister will want to listen, as he is now the Government Deputy Chief Whip, said in February 2010:

> "It is essential that this contract…is better negotiated and has fewer loopholes than the interim contract we had for the last few years"—

the MCA contract. He said that the contract must protect against situations like the one that arose in 2008. The back-up helicopter based at Sumburgh was off-station for a whole week, but the Department for Transport and the MCA were powerless to do anything about it. He also wanted to see the new service rooted properly in the communities that it serves rather than being dependent on a stream of temporary pilots and support officers constantly being shipped in and out.

What are the options? What are the Government considering? First are the short-term immediate continuity arrangements. The RAF will carry on, as it always does. It has the resilience and determination to cope in situations, whether created by Governments or world events, that would challenge many other organisations, and I have every confidence in its ability to do so. However, we need answers on how long it will be before a new scheme replaces the present arrangements. Personnel have careers to plan, and MCA helicopters are contracted only until next year. As I said earlier, the Sea Kings are now extremely difficult to keep airworthy. How long will this situation continue? What level of refit of the Sea King is possible? Would a major upgrade of the Sea King be a short-term option, or would it be too expensive? Should it therefore be considered as a longer-term measure?

What is being considered in the longer term? There are obviously several options. One is to retender a version of the contract. The Government clearly ruled out retendering the contract in its present form when they made their announcement, so they have obviously given it some consideration. There are several reasons why retendering is not the answer. There were too many flaws in the original contract, some of which I referred to earlier; once it became impossible to continue it, the questions that had arisen while it was being considered then needed to be considered again. At that stage in the contract process, it may have been too late to resolve those questions, but when the matter was reopened they needed to be reconsidered.

Another reason why it would have been difficult to retender was that experience has shown that the procurement process is not up to the job. To go back to the same process and risk another failure was not something that the Government could properly have done. We have seen many other weaknesses in the defence procurement process, which has led many to lack confidence in it.

In some respects the previous contract was not cost-effective, which is why it was under review. The reason why the Government did not stop it as a result of the Chief Secretary's review, but were about to announce that it would go ahead, was that the contract had gone too far to be stopped and the gap would be undesirably long if the process had to be started again. However, events have now forced us into that very gap. The Government concluded during the cost review that it would be unwise to have such a gap, but they now have one. That puts a particular responsibility on Ministers to tell us how they intend to deal with a situation that they felt obliged to avoid until dropping the contract became inevitable because of the irregularities that were found. Simply retendering does not seem to be a proper option.

Another alternative would be to lease helicopters for use by existing RAF, Royal Navy and MCA-based crews. There are various options, but even in the short term it may be necessary to have short leasing contracts. What else is the MCA to do when its existing contract expires? What can the RAF do if it is found that a major refit of the Sea Kings will be too expensive to be considered as a short-term measure? Will aircraft have to be leased? The option of leasing of helicopters is clearly on the table, but will there be a new form of contract, involving both leasing aircraft and crew, with some of the features of the previous contract but rather better developed?

There is significant private sector interest in providing helicopters to the oil industry, the police and other services where they are essential. The market is not devoid of other operators, but as we heard earlier, the service requires a particularly high level of skill and training and it has to serve a wide range of functions. Rescues take place at sea, in dangerous coastal areas, in mountains, in fog—conditions that would defy many traditional commercial operators. It would be a pretty demanding contract, and the public are entitled to know that it will be carried out by people with the skills and equipment to do so.

Sarah Newton (Truro and Falmouth) (Con): I congratulate my right hon. Friend on securing this debate. The Government have inherited a difficult situation, and I agree with what he says about the importance of introducing some certainty.

Many people in my constituency work at RNAS Culdrose, which plays an important role in our community. We are proud of its role in search and rescue, as it works closely with Falmouth coastguard. The Sea King helicopters provide what I would call a more inshore rescue service, but does my right hon. Friend agree that we must not lose sight of the important role of the Nimrod, and the necessity to have some replacement for the much more distant sea rescues, which are also part of the search and rescue service?

Sir Alan Beith: I am grateful to my hon. Friend for those comments. She obviously has similar experiences to mine in working with the RAF locally and being very aware that its work is respected by the community.

My hon. Friend spoke also about the Nimrod. That is a big problem for the Ministry of Defence, and it illustrates similarities to the subject of our debate, not least because it has been dragging on for a long time and we still do not have a proper solution. However, it is probably beyond the scope of today's debate—and, I believe, beyond the responsibilities of the Minister answering it—but my hon. Friend was right to flag it up.

Much has been said in public recently about the relationship between the RAF and the coastguard. I simply make this comment. If its relationship with the coastguard were dependent on where the major control centres were situated, we would have got into difficulties years ago, when our major control centre moved from Tynemouth to Humberside. What makes the relationship work well is not only that the control centres operate efficiently, as they should, but that the RAF develops good close personal relationships with the coastguards—mostly volunteers in coastal communities up and down our coastline—as it does also with the lifeboat service. The building of those relationships, and therefore the desirability of having crew in place for reasonable periods, is essential to the success of the service.

I emphasise a few more points that I believe the Minister needs to consider. What about 24-hour cover? It raised great concern when the idea that two or even three search and rescue areas—a single area is huge—could be treated as one for 12 hours of the 24 became part of the proposal, and even more concern when it was suggested that it could be done with existing aircraft before the new contract came into being.

That concern remains. People want to know that there is 24-hour cover on no larger a scale than the existing areas, because if a neighbouring area is already on operational duty and carrying out a rescue, there will be no search and rescue helicopter within a reasonably manageable distance for 24 hours of the day. We need an answer on that. We also need clarification on what is going to happen to the Falklands support operation if the RAF is no longer to be involved in SAR there. We need to know about the potential impact of legal action, and whether it is likely to cause delay to the key decisions that are now being taken. I hope not.

Overall, it is an awful business. We will know fully when the investigations are completed, but it approaches what we could call a scandal. Courageous and skilled aircrew have been let down by the inadequacy of the Ministry of Defence procurement process and the way in which it was carried out. The challenge for the Department for Transport is to carry out the task rather better than the MOD, which has conspicuously failed. The time scale now is short and demanding. Can the Department do it? How will it do it, and what assurances can the Minister give to those employed in, or dependent on, search and rescue that they will have satisfactory continuity arrangements over a reasonably short time and that a new system will be put in place in which the public can have confidence?

Several hon. Members *rose—*

Mr James Gray (in the Chair): Order. Let me remind hon. Members that if they want to speak in a debate, it is helpful if they write to the Speaker. That applies both here and in the main Chamber.

11.30 am

Tim Farron (Westmorland and Lonsdale) (LD): I am extremely grateful for being called to speak, and I am pleased to serve under your chairmanship, Mr Gray. I congratulate my right hon. Friend the Member for Berwick-upon-Tweed (Sir Alan Beith) on securing this important debate. He will be delighted to hear that I will speak relatively briefly.

In Cumbria, we rely heavily on search and rescue teams, particularly those at RAF Boulmer, which is our local base. They provide essential back-up to our mountain rescue teams in Ambleside, Langdale and Kendal and, as my right hon. Friend mentioned, to our search and rescue teams at Flookburgh on Morecambe bay. The mountain rescue teams across Cumbria rely on RAF Boulmer, and they regard it as essential to their work, which is voluntary in nature but professional in standard.

[Tim Farron]

On behalf of the mountain rescue teams and the search and rescue teams in Cumbria, and south Cumbria in particular, I want to say how much we value the professionalism of the staff at RAF Boulmer and indeed of all of those involved in search and rescue. We value their responsiveness, their 24-hour cover and the fact that they work so well with our mountain rescue teams.

When the new contract, which has recently been cancelled, was first suggested, many of us across the country objected. There were objections in Cumbria largely because it would have made Boulmer a half-time base. We would only have obtained 12-hour cover, which is extremely dangerous. My right hon. Friend rightly referred to that towards the end of his speech. It is dangerous not to have 24-hour cover. My mountain rescue volunteer friends say that a typical time for a person to go missing, or to be reported missing, on the fells, in the Lake District or on the Yorkshire dales is when it gets dark. That is the time at which a person is deemed missing—the time that they have not returned home—and the emergency is activated. It is very dangerous for that critical time to be the point at which the source of the rescue craft moves further away. Reducing cover would also mean a reduction in responsiveness; there will be longer times from the call-out to the scrambling of the craft and its arrival in the Lake district. We are also deeply concerned about the reduction in capacity that the contract would bring. My right hon. Friend rightly talked about the possibility of a craft being occupied in one region when it is supposed to be serving another.

About 14 months ago, we had some dreadful flooding in Cumbria, particularly in the west of the county. There is no doubt that had the contract been in place then, there would have been insufficient air cover to rescue people from dangerous situations. Therefore, the contract that has been cancelled could have been dangerous in a number of areas. None the less, the cancellation is a matter of deep concern for those whose careers depend on an outcome to this process, for all those who work with the search and rescue teams, and for all of us because of what it means for the probity and efficacy of the process. Moreover, we were all terribly concerned about the irregularities that were uncovered.

Having said that, those of us who had deep concerns about the contract cannot help but think that we now have an opportunity to re-examine the situation. The Government have the chance to think again, but, as my right hon. Friend said, they should not do so for too long. A whole range of options exist. The Government might want to consider whether it is entirely wise to go down the private finance initiative route again. They might also consider the wisdom of refitting the Sea Kings, which was suggested by my right hon. Friend the Member for Yeovil (Mr Laws). That could be done with great operational effectiveness and would be relatively cost-effective, giving certainty and a medium-term future for all those involved.

Whatever the Government decide, they must do it relatively quickly to give us confidence and a sense of long-term stability, and ensure that it is in the interests of maximising safety across the country, particularly across Cumbria, the Lake district and the Yorkshire dales. The Lakes are England's most mountainous region. It seemed barmy, therefore, to exercise a contract that would move the airborne rescue further away.

I urge the Minister to make a decision relatively quickly, maintain 24-hour cover from Boulmer and ensure that whatever decision is taken from this point on provides maximum support for mountain rescue teams and search and rescue teams on the ground and in the water and in the interests of all those people who may find themselves in peril on the fells.

11.37 am

Jim Fitzpatrick (Poplar and Limehouse) (Lab): It is a great pleasure to see you in the Chair today, Mr Gray. I am delighted to follow the hon. Member for Westmorland and Lonsdale (Tim Farron) and I congratulate the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith) on securing this important and timely debate. Given that this whole policy began under the previous Administration, the right hon. Gentleman cautioned me about the scope of my remarks. I fully acknowledge that, so my remarks will be relatively brief.

Let me begin by adding my tribute, and a tribute from the Opposition, to the air sea rescue service and all those involved in search and rescue across the country. The Minister and I are former fire fighters, so we were part of that industry in a very big way, and we recognise the conspicuous role that these brave men and women play in all aspects of search and rescue across the country.

It would have been better if the Minister had opened this debate, because we could all have commented on what he said. The right hon. Gentleman could have stood up and just said, "What's happening, Minister?" What we want to find out is where we go from here. There is a lot of interest and concern about that across the country, not least from the Palace. A few months ago, we heard in Prime Minister's questions that there had been royal lobbying on the matter. I suspect that the Minister's speech has been proofread not only by the lawyers but by officials at No.10 who will want to make sure that he is careful in his responses to us today.

The right hon. Member for Berwick-upon-Tweed outlined the history of this matter very effectively and explained why it is so important. The questions originally were about the split command structure and the fact that although this process is led by the Department for Transport, the Ministry of Defence has an important role to play. That is why there is duality and why the Minister, who is a Transport Minister, is in the driving seat. However, the Maritime and Coastguard Agency, the Royal Navy and the Royal Air Force all make contributions. There are other issues: the life expectancy of helicopters; European regulations and terms of employment, and the PFI replacement programme for helicopters. All those factors have made it very complicated to try to unlock and disentangle the sector. With information emerging about irregularities in the tendering of the contract, the Government had no option but to stop the tendering process and review it. As the right hon. Gentleman logically said, we need answers as quickly as possible about where we go now.

The questions that I would have asked have already been asked. They included questions about the durability of the existing helicopter fleet—for example, how long that fleet will last and whether it will last until the new arrangements are put in place. The issue of 24-hour cover was raised by the right hon. Gentleman and the hon. Member for Westmorland and Lonsdale, who both spoke before me. There have also been questions in recent months about the use of armed forces pilots as part of the pilot provision for the search and rescue service, given that we must ensure that we have enough pilots for front-line services in Afghanistan and elsewhere. The right hon. Member for Yeovil (Mr Laws) also asked about the life expectancy of the Sea Kings and the upgrades that might happen.

Albert Owen (Ynys Môn) (Lab): I thank my hon. Friend for giving way and I apologise for not being here for the start of the debate. I was unavoidably detained in Committee.

My hon. Friend has made a point about pilots. It is absolutely essential that there is clarity about that issue, because what we are seeing now is that RAF pilots, who have completed three quarters of their training and nearly finished it, are being withdrawn from service. The search and rescue service really needs the continuity that RAF bases, such as RAF Valley in my own constituency, provide. Those bases have an intake of pilots, who go elsewhere before coming back. The search and rescue service needs to know that the pilots at those bases will graduate. Does my hon. Friend agree that clarity about that issue must be provided now?

Jim Fitzpatrick: I agree with my hon. Friend that the issue of military pilots being used as part of the air-sea rescue service has been raised in recent months and that the loss of such pilots might impact on the ability of the MOD to perform front-line duties.

It is to the great credit of the control and management arrangements of the air-sea rescue service that although there are so many organisations involved—the RAF, the Royal Navy and the MCA—the service has worked so well. Obviously what we all want to see is whatever arrangements are put in place in future working equally well. However, given that the Government have been stopped in their tracks because of the irregularities in the tendering arrangements, questions are being asked by right hon. and hon. Members about where we go from here. Those questions are about how the Government intend to proceed in providing the service, including the new tendering arrangements, the use of the existing fleet, the potential upgrades and how long it might take the Minister and his colleagues to resolve these issues. Those are very big questions, but I know that the Minister has all the answers, as he usually has, and we are all waiting with bated breath to hear what they are.

11.43 am

The Parliamentary Under-Secretary of State for Transport (Mike Penning): It is a pleasure to serve under your chairmanship, Mr Gray, for the first time as a Minister of the Crown.

First, I want to say that a leak has taken place. It must have taken place last night, because the right hon. Member for Berwick-upon-Tweed (Sir Alan Beith) has read out my summary of events, with great clarity and great accuracy. I praise him for his knowledge of the issues that he has raised in Westminster Hall today.

Having secured this debate, the right hon. Gentleman might have thought that there would be a few more Members here for it. The amount of correspondence that I have had on this issue is not reflected in the number of Back Benchers who are in Westminster Hall today. I hope that those who are not here will read the report in *Hansard* later, so that we can get some better knowledge out there around the country about what is happening.

The shadow Minister, the hon. Member for Poplar and Limehouse (Jim Fitzpatrick), was quite right to say that I am somewhat tied by "legal eagles". There are some things that I can talk about today and clearly there are some things that I cannot talk about. I will be as open and honest as possible, as I always am. As Members can imagine, there are officials from the Ministry of Defence who are keeping a very close eye on me as I stand here, as well as my own officials.

We are discussing a really serious issue today. I am not particularly happy about the position that I am in. As the hon. Member for Poplar and Limehouse and other right hon. and hon. Members have said, we inherited the position that we are in and literally on the eve of our announcement information was brought forward that meant that the whole procurement process and the awarding of the contracts had to be halted. Indeed, they were not only halted but we had enough information at that time, as the police were brought in, to know that that procurement process and the awarding of the contracts would cease.

So, wherever I can be, I will be as open as I can, but I hope that Members will understand that I am speaking under legal constraints and I do not want to jeopardise any possible legal action or police inquiry by what I say during this debate.

Quite correctly, right hon. and hon. Members have paid tribute, and I join them in paying tribute, to the men and women who have served in the air-sea rescue service in the many roles that they have played in the many years—nearly 70 in total—that they have carried out this service on behalf of the British public.

What is interesting is that the public have a perception about who is flying those funny-coloured helicopters that have the word "Coastguard" written on their side. When I first became a Minister, I assumed that the crews involved were all military crews and I think that a lot of people make that assumption. They assume that when they are on the beach, or on the moorlands and lakelands of this country, or when they are waiting to be rescued from a cliff, that those pilots, navigators and loading guys in the back are military personnel. However, let us be perfectly honest. We know that many of them are not military personnel and that for some 27 years four of the bases—four of the air-sea rescue facilities—have been run under contract by the private sector. Have there been huge numbers of complaints about the ability, skill, dedication, commitment or professionalism of those private sector crews? To be truthful, no, there have not been—not at all. So, although I understand the concerns of areas where there are military bases, we must not undermine the work of the civilian crews who have done fantastic work for many years.

I acknowledge the concerns that exist about some of the contracts—not being responsible for them, I can say that. The contracts were there, we inherited them and we have moved forward with them.

[Mike Penning]

There are obvious and understandable concerns about the future. However, the awarding of these contracts has been delayed for some time. I myself would probably have flown in some of these Sea King helicopters when I was in the armed forces and I joined as a boy soldier in 1974. In the late 1970s and early 1980s, I was in Sea Kings rather too often. I was also in Wessex helicopters. The Wessex is long gone, but Sea Kings are still fulfilling a fantastic role, here in the UK and on operations abroad. I have been lucky enough to be in Sea Kings on operations in Iraq and Afghanistan on my visits to those countries. We must pay tribute to the work that is being done by our armed forces, particularly because as we speak today they are doing a lot of work in the middle east as well as in Afghanistan.

To be polite, the Sea King is a very old lady. As the right hon. Member for Berwick-upon-Tweed said, there are two versions. However, the older version—the 1977 version—is not a modern aircraft. It has nowhere near the sort of lift, capacity or range that modern helicopters offer. I am aware that other countries have looked seriously at their Sea Kings and upgraded them. Very often, they have done so for cost reasons as well as for other reasons, because if the life of a Sea King can be extended the difficult decisions that we have been trying to make can be avoided.

So, as we look at what we have inherited, we must look at what will happen in the short term—that is, now—because of what has happened with these contracts. We must consider how we can continue to have the cover available and my Department is doing that jointly with the MOD and the MCA. However, we must also look forward to consider what will come in to replace the existing service.

Perhaps I can say now that there will be no demise in cover at all in the short term or in the long term. We will look very carefully at the existing contracts—both the civilian contracts and the MOD contracts—and there will be provision of service while we look for a long-term solution. So I hope that I can alleviate any concerns that exist among the constituents of right hon. or hon. Members, including the hon. Member for Poplar and Limehouse, or among the armed forces or in the MCA. We will ensure that we get this right. In the short term, we will ensure that there is cover and that the Sea Kings are available and operational.

I am really pleased that my right hon. Friend the Member for Berwick-upon-Tweed was as honest as I was going to have to be about the Sea Kings' current availability. They are very often off the run. I have been surprised by a couple of incidents that I have been involved in in my short time as Minister, when I have had to say, "Guarantee to me who is available." Sometimes the Sea Kings are not there, but that is not because of a lack of will or because people are not professional in maintaining them, it is just because they are very old ladies. They need a lot of TLC, and sometimes we just cannot physically get them up there. Their range is restricted, compared with the civilian Bristows, especially the new ones we would like to bring in, and so there are big issues about who covers. Very often, as I am sure Members are aware, the civilian crews cover in areas where the military cannot, simply because they have the range. We will very consciously ensure our commitment to mountain rescue and sea rescue, and also cliff rescue, which has not been covered today. The skill involved in cliff rescue, with the down draughts, is unbelievable. In the short term, we will commit to those areas, and we are working very closely with the MOD.

In the long term—not too long a term, I hope, but we must get it right—we have a plain sheet of paper, and I hope that hon. Members appreciate that. We can say, "What do we need for air-sea rescue, to go forward in the 21st century?" The MOD will continue to be involved in the negotiations, deciding for itself to what extent; it is not for me as a Department for Transport Minister, even with my military background, to make decisions on behalf of the MOD. It is absolutely crucial that, because of the concerns that have been raised both today and in the press in the past few weeks, we come forward with proposals—although I am sure not everyone will be happy with them—for a service that is there to do the job and to provide the skills that we all want. There has, I think, been some misinformation in the press, which is understandable because not everyone realises how service air-sea rescue is already provided.

Jim Fitzpatrick: When the first review was under way and the consultation was taking place, it was difficult to deal with the different cultures in the Ministry of Defence and the Department for Transport. When the DFT and the Maritime and Coastguard Agency decided that we would consult on the local provision for the civilian stations, the culture was pretty much one of open politics but, with no disrespect or criticism, the MOD culture was much less open in its engagement with local MPs. If the Minister is looking to consult again, right hon. and hon. Members would obviously look for every assurance that the consultation or the exercise would be as open as possible, and as accessible as possible for Members, so that they could contribute to it.

Mike Penning: The shadow Minister is very knowledgeable in this area because he was around in the Department at the time, so I pay tribute to his knowledge of the problems that occurred during the consultation. It will always be difficult, because some of the stations are operational and so an operational capacity need has to be addressed as well as the secondary use, which is the air-sea rescue.

Sir Alan Beith: Will the Minister give way?

Mike Penning: If my right hon. Friend will bear with me, I want to answer on this point and will then gladly give way—we have plenty of time, to say the least.

The procurement will now be Department for Transport led, with MOD involvement. I say this in the presence of listening ears from the MOD: we certainly will be as open and honest as we can, and will provide as much access as possible both to colleagues throughout the House, and to local communities, because it is important that they feel part of what is going on. We are all about trying to do the right thing and developing a service that we can all be continually proud of—we are very proud of the current service, but we know that there are issues. I assure Members that we will do as much as possible as we lead on this in the new procurement programme, which is why I say that we have a plain piece of paper. We can learn from mistakes and from a lot of the issues that the shadow Minister has mentioned, but we will not necessarily take on everything. We have a blank piece of paper, and can ask, "What's best for us?"

Sir Alan Beith: It would be helpful to know what machinery has been set up to make the decision, or to prepare the ground for Ministers ultimately making it. That cannot be a state secret. Is there a joint project board between the two Departments, or a working party? What stage is it at, and what mechanisms are in place for making this important proposal?

Mike Penning: As my right hon. Friend will realise, we are at a very early stage, not least because there are legal issues—he mentioned them in his speech—which are very difficult and technical. The police are fully involved and there is a full inquiry going on, so I am very restricted in how far I can go down that line. My right hon. Friend is absolutely right that others may decide to take action in the civil courts, and it is entirely down to them to decide that. We have to ensure that the existing contract is not affected in any shape or form by the private finance initiative contract. It is completely separate, but it has been lumped in with the existing one, certainly in the media. That contract is close to its end time, and we have to negotiate best value for the taxpayer as well as ensuring that we have the service provision. At this stage, I am not in a position to say, "This is the mechanism that we're going to go forward with," but we will announce it as soon as possible. This will be led by the Department for Transport, and that decision has been made.

Mr Laws: Do the Minister's comments imply that most or all of the expenditure on the long-term solution is likely to fall outside the existing spending review period?

Mike Penning: The PFI contract went way beyond the existing spending review period, and so we do not know how quickly we can get this going. It is crucial that we get it right, so that we do not get anywhere near this position ever again. The PFI was signed off for this spending review period, but it went way beyond it, as I am sure my right hon. Friend is aware. The key is that the interim measures, which must be in place, are what it says on the tin—"interim"—and that we then have a proper contract. We have not just gone to another re-bid, we have said, "Whoa, let's look at this another way." That will take longer than if we just said, "Okay, there's a few mistakes here. Someone's been naughty, and we'll do it this way." That would be the quick option, but it is right to say, "Let's put this completely on hold and look fundamentally at the contract."

[MR JOE BENTON *in the Chair*]

Sir Alan Beith: I would like to press the Minister a little further. It would be helpful to know whether there is one process, or two separate processes, with a team of people from the two Departments assessing the viability of the existing arrangements and what has to be done to keep them going for the time being, and a separate team considering the future options.

Mike Penning: There are two separate processes, which is why, when I began my speech, I stated that there is what we need to do now and what we need to do in the future. I have just been passed a note with some information that I did not know, which is that the Secretary of State for Defence has already been in contact with AgustaWestland—last month—to see if we could engage with the company to consider how to extend the life of the Sea Kings beyond 2016. That is because of the interim short-term situation, and how we go forward. It was mentioned earlier that perhaps the most cost-effective way of doing that would be a major refit, taking us a long way forward, or we could do a shorter-term refit. Two separate projects have to take place, although I am not saying that the same people will or will not be on the working groups. The key is to get on with this now, so that we have the provision in place and can then go forward.

As to when the announcement was made and the reason why it was not made to the House first, it was, obviously a significant market announcement, which is why it had to be made to the stock exchange at 7 am. I am always passionate in the belief that things should be announced to the House, and I have done so myself on many occasions, but an announcement involving such a large private finance initiative had market significance, which is why it needed to be made, and was made, at 7 am.

I know the Falklands rather well. Sadly, several of my friends are there in war graves. Luckily or unluckily, when the Falklands war began, I was with the Grenadiers on spearhead, who were not deployed, but my friends in the Welsh and Scots Guards were. As my right hon. Friend knows, one of my closest friends is Simon Weston, who was disfigured and scarred while he was there and has done much work for charity since he came back. The Falklands is not affected by the PFI. The MOD will continue to provide air-sea rescue in the Falklands and will decide its future. It was never part of existing search and rescue helicopter procurement. There are still a lot of MOD and service personnel in the Falklands. I have flown in a Sea King down there in recent years, although not during my time in the armed forces.

We have mentioned the effects of service personnel and knowing what they are doing. Service personnel work on tours of duty. The original time scales involved in the PFI meant that they would have been beyond their tour of duty—the Prince would have been away from Wales, serving in whatever other duties Her Majesty had in mind for him—long before the changes took place. The MOD will, obviously, continue with its own tour of duty process. That is a matter for the MOD, not for me as a Transport Minister. As we enter the interim period with cover, I am sure that tours of duty will be addressed in many ways.

The hon. Member for North Antrim (Ian Paisley), who has left the Chamber, mentioned the interim contract for the coastguard. The existing MCA contract is not interim; civilians have been doing that work for many years. We need to find out what the interim contract is now, but the existing contracts are not interim. We can also learn a lot from the concerns about the MCA contract as we go forward. There are concerns involving the working time directive; I assure hon. Members that it is one of the pains of my life as a Minister. In the past couple of days, I signed off on a document exempting the military from certain things such as driving time, tachographs and so on. At the same time, the MOD manages brilliantly to provide cover within existing restraints. All of that will be part of the documents as we go forward with the concerns.

[Mike Penning]

I do not want to pontificate for another half-hour, as there is not much more that I can say. We are conscious that there are concerns, and we as a Government are concerned. In a perfect world, this would never have happened. But we do not live in a perfect world and, sadly, an anomaly has occurred with the procurement programme that has created real concerns and legal ramifications. A huge amount of taxpayers' money has been expended on the procurement programme, and we will be looking to recoup it, as it is not the fault of taxpayers or the Department for Transport. To be fair, the MOD, which was criticised earlier, could not have predicted that the persons involved would do what they did. I know that there are concerns about the MOD's procurement programme—that is for the MOD to address—but the criticism that the MOD is to blame for what happen might not be right. Individuals are responsible, rather than the MOD.

Albert Owen: The Minister was right to pay tribute to those who maintain Sea Kings. Maintenance crews must be considered as well. They are concerned that under the PFI contract, many of them will not be retrained for any new helicopters procured. Will the Minister assure me, on his blank piece of paper, that that will be considered and that, in the interim, those highly skilled people working on air bases, including RAF Valley in my constituency, will have the opportunity to retrain for any new craft?

Mike Penning: I cannot give the hon. Gentleman those assurances, as I am not an MOD Minister, but the MOD will have heard those concerns, and I will ask someone there to write to him about them. It is clearly not in my portfolio to deal with armed forces staff. I, too, pay tribute to maintenance crews, which I have always found to be unsung heroes when I have visited the military around the world. When I visited Helmand last year, I saw that they worked astonishing hours to keep Chinooks, in particular, in the air. We should all realise that it is not just the helicopter pilots—the gung-ho guys—who do all the work; often, it is the ground crew that get them up in the skies to start with.

Sharing knowledge and working together with other emergency services, particularly in the voluntary sector, is crucial—whatever will happen in the future—as is happening now on the four civilianised bases. I must admit that many of the crew members whom I have met are ex-military; I do not think that I have met a single search and rescue helicopter pilot who is not. We have a wonderful training programme for them, but it is crucial that training and working-together exercises continue in the short and long term.

I am conscious of what hon. Members, especially the hon. Member for Westmorland and Lonsdale (Tim Farron), said about distance. It will always be an issue. We go out to sea some distances now to incidents, as in the constituency of my hon. Friend the Member for Truro and Falmouth (Sarah Newton), but interestingly, civilian aircraft—the ones that we have now, let alone the ones that we were considering procuring—can go much further and cover greater distances.

Of course, they can do only one job at a time. The shadow Minister and I are both ex-firemen. I did operations with air-sea rescue on the Thames estuary when I was in the fire service. When we were tied up there, we were tied up. When something is tied up, I am concerned to know whether we will have cover from the other bases, especially if the Sea Kings are vulnerable, as we know they are at times.

I do not want to drag out this debate for the sake of it. I am disappointed, as I am sure is my right hon. Friend the Member for Berwick-upon-Tweed, that more Members are not here for this 1.5 hour debate. As soon as we know more, we will say more, and we will be as open as we can throughout the procedure. However, at the end of the day, we are where we are. We will sort this mess out and ensure that the public are safe and that air-sea rescue is protected, as we all expect it to be, and cover is provided.

12.8 pm

Sir Alan Beith: I thank the hon. Members who have taken part in this debate. There are, obviously, other hon. Members whom it would have been useful to have present to represent other areas. I am particularly grateful for the support shown by my hon. Friend the Member for Westmorland and Lonsdale (Tim Farron) for the work of RAF Boulmer in his constituency, of which air-sea rescue is a significant part. We have also heard interventions from my hon. Friend the Member for Truro and Falmouth (Sarah Newton), my right hon. Friend the Member for Yeovil (Mr Laws) and the hon. Member for Ynys Môn (Albert Owen), in whose constituency is located basic training for all RAF search and rescue pilots, a fact of which people might not have been widely aware until a royal prince became one of the aircrew there. Their interventions have been helpful.

In concluding, I will focus on what the Minister could and could not do today. Clearly, Ministers cannot comment on what has happened in any detail while investigations are taking place, and legal action—not just legal action arising directly from the investigations but civil legal action—is a possibility. He said that he had a blank piece of paper, but I remind him that it cannot stay blank for long, particularly in respect of the continuity arrangements, and that he does not have a blank chequebook with which to make extremely expensive temporary arrangements that might prejudice what is done in the long term. That is why I am so concerned to establish that there is a clear process at work. I am not sure whether we are entirely clear about that yet. The long-term alternatives have to be looked at in some detail, and I assume that a joint working party is doing that at the moment.

On the continuity arrangements, the centre of gravity has shifted back to the Ministry of Defence, which must affect the way this is being done. The Minister has a more direct responsibility for what is happening in relation to the Maritime and Coastguard Agency—it has a contract that will expire shortly—but the dependence on the continuing RAF and naval provision shifts the centre of gravity of the immediate decision-making process back towards the MOD.

It has never been clear whether the Department for Transport has become a purchasing Department with the relationship of a purchaser with the MOD that says, "This is what we want, even in the short term. How can you provide it for us?" or whether this is a traditional joint departmental process with a degree of fuzziness about who is really in charge. We cannot afford that in situations such as this, so I will continue to press Ministers in both the DFT and MOD to be clearer about how decisions will be taken in both the short and long term, and how the relationship between the two Departments can be operated in a way that ensures that decisions are made quickly on the things that have to be decided quickly. It is bad enough trying to get decisions out of the MOD alone, but when two Departments are involved, unless there is some sort of purchaser-provider split between the two, there is too much uncertainty about how decisions are taken. I am not even sure how confident the Minister is that we have a real grip on the issue and an effective process in operation.

The situation inherited by the Government is difficult, but difficult situations call for resolute action and I want to be sure that there is a process that can do that. Will the Minister, when he reflects upon this debate, write to me, in a letter that can be published, an explanation of the process? It would be helpful.

Mike Penning: I think that I have already said that. I am sure that there will be other debates on this subject—although I cannot predict what Mr Speaker will or will not select for debate—but we will do that in writing as things develop. I am conscious of two things. First, we have to make sure that we get it right. Secondly, at the end of the day, this was not the fault of the taxpayer so it is crucial that, wherever possible, the taxpayer will not pay for it. As we progress, I will be open and we will write, correspond and give as much information as possible. The MOD has a procurement skill that the DFT does not in this area, so we need to work closely together and we will continue to do so. It will be led by the Department for Transport.

Sir Alan Beith: That is a helpful intervention and I am grateful to the Minister for a number of points. Indeed, he said a number of things during that short intervention that had not been fully clear previously in the debate.

Jim Fitzpatrick: Will the right hon. Gentleman allow me to ask the Minister indirectly to deposit the correspondence to him in the Library, or to issue a written ministerial statement, so that all hon. and right hon. Members can share the updated information?

Sir Alan Beith: I am sure that the Minister will do that. It was implicit in my request, and it is desirable and necessary. In conclusion, I say to the Minister that he should not—quite clearly, he is not now going to—wait until the two Departments come up with their final plan before he keeps us informed. We need to know soon about the processes and the decisions being made about continuity arrangements—in a way that is as helpful as possible to those who have to operate the system—as well as about the processes in relation to devising an effective longer-term solution.

To revert to a point I made earlier, I believe that when the Government decided to announce that they were going ahead with the contract, they must have concluded that a period of delay, even with a contract that was not entirely to their satisfaction, was too much of a price to pay. That price now has to be paid, because it is clear that the contract cannot go ahead due to some of the things that went on during the procurement process. We are, therefore, paying a price in terms of certainty and decisions that ought not to be further delayed. I want to make sure that we have a process capable of dealing with that.

Mr Joe Benton (in the Chair): Before I call the debate to a close, may I take this opportunity to say that it is not normal in a debate such as this for people to respond after a Minister has spoken to conclude it? As there was time, I made due allowance for that, but I do not want a precedent to be set. I hope that hon. and right hon. Members will remember that.

12.15 pm

Sitting suspended.

UK Military Basing Review

12.30 am

Angus Robertson (Moray) (SNP): A happy St David's day to you, Mr Benton. It may be worth noting at the start of the debate that Sky Television is reporting the details of military job losses. No written statement is in the Library, so Members of Parliament are only able to learn of those circumstances by watching the media. No doubt the Ministry of Defence and its officials will try to rectify that as a priority.

Like other Departments, the MOD is going through significant spending cuts and, with an outline of the main structural changes to the armed forces and their equipment in the strategic defence and security review, consideration is now being given to what that means for military basing. One major change in future years will see the return of UK service personnel from Germany. With a head count reduction in the Royal Air Force, as well as in its equipment, there will be fewer RAF operating stations. Changes are also in the pipeline for the Royal Navy, which will have a considerable impact on the three services and on the communities where they have been based, often for many decades.

With the most defence-dependent constituency in the UK, I have more reason than most MPs to watch developments closely, and the experience has not been a happy one. The MOD has already announced the closure of RAF Kinloss, with devastating local consequences in Moray, and the sword of Damocles is hanging over neighbouring RAF Lossiemouth. On the day of the SDSR in October, the Defence Secretary told me personally that the decision on RAF Lossiemouth would be taken before Christmas—Christmas 2010. Then, in November, he told me—again, personally—that the military recommendations would be made by the end of February, with a political decision within weeks. As we now know, that has not happened, and a decision and announcement have been delayed until the summer. Frankly, that is no way to run a military basing review, and no way to treat service families and the communities in which they live. The consequences of that dithering and delay has been economic stagnation and uncertainty. It is costing jobs and livelihoods, as well as causing unnecessary economic damage and undermining business confidence.

When the announcement to close RAF Kinloss was made in October, it came as a bolt out of the blue. The MOD decided at a stroke to cancel the new generation of Nimrod maritime reconnaissance aircraft, and with it, its home base at RAF Kinloss. Nearly £4 billion of taxpayer investment was binned and the planes have been cut up for landfill. Now, both the Republic of Ireland and Norway have a greater dedicated fixed-wing maritime patrol capability than the UK, and the UK is without a dedicated ISTAR combat platform to perform vital intelligence, surveillance, target acquisition and reconnaissance tasks. Imagine if there were suddenly geostrategic developments, let us say, in northern Africa. Imagine if it was vital to operate long-range flights, to sit off the coast for 8 hours and to monitor all nature of electromagnetic spectrum, while having the ability to image the coast. I guess we will never know how many lives that could have saved, or which operations we could have supported in, for example, Libya, because the UK decided to scrap Nimrod while spending up to £100 billion keeping Trident—a weapon system that can never be used.

Meanwhile, back in the most defence-dependent part of the country, local authorities and agencies have had to deal with the consequences of closing RAF Kinloss without any material support whatever from the UK Government. The impact on service families, the local economy and local public services has been devastating. Of course, the UK Government knew that this was going to happen. They knew that this was going to happen because information was provided to them in a detailed report by Highlands and Islands Enterprise. Despite that, support has still not been provided.

Moray is unique in the UK as it is the only part of the country that is facing the prospect of a double RAF base closure. In the first instance, that makes no defence or security sense whatever. RAF Lossiemouth was recently judged by the RAF to be the best base for the next generation of fast jets. Given the wish for better military co-operation by both the UK and Norway, it is worth reminding ourselves that RAF Lossiemouth is the closest base to Norway. Norway wants to maintain and operate the next generation of fast jets in co-operation with the UK, and RAF Lossiemouth is the designated UK base for the same aircraft. RAF Lossiemouth is adjacent to the best training areas, which is a significant consideration, given the cost of flying from bases further away. Given the double runway and facilities, it is also easily able to host different types of aircraft.

The defence case to retain the facility is unsurpassed, which is why it is supported by all political parties and political leaders in Scotland, as well by as the Scottish Government. Few will have missed the public reaction in support of the base. In a unique show of support in the UK, thousands of people marched through Lossiemouth last November. That support continues. Only a few days ago, thousands of people took to the streets of Elgin to welcome home personnel from operations, and I would like to thank all local campaigners, the Moray Task Force and *The Northern Scot* for their hard work and support.

Reports from within the MOD suggest that the Royal Air Force has already recommended that RAF Lossiemouth should remain. Ministers must listen to that recommendation. Ministers have to understand that closing RAF Lossiemouth is like losing 40,000 jobs in Glasgow, or 400,000 jobs in Greater London. The MOD needs to understand that a double RAF base closure in Moray would be the biggest single economic shock in the north of Scotland since the Highland clearances. RAF Kinloss and RAF Lossiemouth together support 5,710 full-time equivalent jobs in the local economy, which equates to 16% of all full-time employment in Moray. The two bases also generate £158 million a year for the local economy, while RAF households account for 7% of the total population of the region and 8% of its working age population. At least 15% of local NHS staff have partners connected to Moray RAF activity, while in areas such as midwifery, district nursing and cardiology, that figure increases to 25%. Some 30% of hotel business in Moray is RAF-related. Inactivity at RAF Kinloss amounts to the loss of £500,000 a week. Imagine the compounded impact of a double base closure.

Other parts of Scotland also have cause for concern, with a threat to RAF Leuchars in Fife, to 2nd Division Headquarters at Craigiehall and to Fort George near Inverness. Should Scotland see a reduction from three air force bases to only one, that would constitute a 70% cut in RAF personnel numbers and would leave 40 fewer aircraft. That stands in contrast to the Royal Norwegian air force, which operates more than 110 aircraft from seven air bases; the Royal Danish air force, which operates more than 111 aircraft from three air bases; and the Royal Swedish air force, which operates more than 187 aircraft from seven air bases.

It is widely expected that the MOD will close the operational Army headquarters outside Edinburgh and there are fears of a further reduction in historic battalions. In total, that would leave fewer service personnel in Scotland than there are in the armed forces of the Irish Republic. Unlike many other parts of the UK, Scotland has recently seen a significant defence contraction, with a multi-billion pound defence underspend, base closures and an amalgamation of historic military units.

At the time of the strategic defence review in 1997, there were 15,000 service personnel in Scotland. Under the previous Government, that was cut to 12,000 while, at the same time, manning rose in other parts of the UK. When adding civilian defence job losses to the equation, Scotland lost 10,500 jobs between the 1997 SDR and the 2010 SDSR. MOD statistics show that the defence underspend in Scotland totalled at least £5.6 billion in the same period. That underspend constitutes a 36% budget shortfall. At the same time, there has been an unprecedented concentration of defence spending, manpower and basing in the south of Britain. There are no prizes for guessing where the main training establishments, super-garrisons, command headquarters and largest operational bases are located. They are almost all in the southern half of England. Amazingly, no defence or security logic has ever been outlined by this or any previous Government as to why that should be the case.

This is not what happens in allied countries. To find out what the norm is elsewhere, I travelled to the United States in December to learn how it deals with the same challenges. There, the Department of Defence has clear responsibilities to maintain a defence footprint across the US, and a commitment to defence-dependent communities. The US has an independent Base Realignment and Closure Commission which makes final recommendations on basing that then go for congressional approval. There is also an Office of Economic Adjustment which supports local communities with technical and financial support.

Just in case the Minister wants to say in his reply that there are issues of national security, I would like to draw his attention to the full documentation published by the BRAC Commission and the OEA. In the US, the process seems to be managed well. In the UK, in contrast, military basing reviews are entirely opaque. I should point out that the main policy objective of the Department of Defence when dealing with base closures is to act expeditiously—that has not happened in the UK basing review. The statutory criteria of the commission's work require it to conduct an assessment of the economic impact on existing communities in the vicinity of military installations, and an environmental impact assessment. The commissioners also have to assess whether the results of the closure or realignment process might leave insufficient strategic presence in some parts of the US.

Having gone through a non-partisan, transparent, fully costed analysis, the commission's recommendations are approved or rejected in their entirety on Capitol Hill. There is full democratic oversight and approval. Where bases are to close, the OEA provides comprehensive support for communities, as its website highlights:

> "In today's economic climate, OEA and federal government support is essential to communities nationwide as they cope with Defense program changes."

What a contrast with the UK, where the Ministry of Defence seems to take no responsibility whatsoever, where the basing review is an internal MOD exercise which is totally opaque, and where base reviews appear to be ad hoc, financially driven and, frankly, unstrategic.

The Minister now has 15 minutes to enlighten Parliament, the defence world, military families and defence-dependent communities about the UK military basing review. I hope that he will confirm that the MOD will publish all supporting documentation and the full balance of investment appraisals from the UK basing review. If the USA can publish full documentation without compromising security, so can the UK.

I want to leave the Minister and his colleagues with this quote from a recent editorial in Scotland's biggest selling national daily newspaper:

> "In election after election, Labour, the Lib Dems and the Tories have warned that the SNP would leave Scotland defenceless. But shutting RAF Lossiemouth will destroy that argument for good, leaving us with far weaker defences than other small European nations. Scotland has no tanks, no heavy artillery, no armoured vehicles, no self-propelled artillery, no armoured personnel carriers, only five helicopters and 12 Snatch Landrovers. If RAF Lossiemouth goes, we would have just one RAF base left."

Given those circumstances, it is unsurprising that an ever-growing number of people in Scotland are now asking why Scotland does not make its own defence decisions like other normal countries. It is clear to most people that if we were to spend the tax revenue we currently contribute to the MOD, there would be more bases, more equipment, more service personnel and more jobs in Scotland. We would also be able to support conventional defence properly rather than waste money on nuclear weapons. The MOD needs to prove that it is worthy of support from Scottish taxpayers, voters and service personnel. Frankly, at present, it is not fit for purpose.

12.44 pm

The Parliamentary Under-Secretary of State for Defence (Mr Gerald Howarth): I commend the hon. Member for Moray (Angus Robertson) on securing this important debate. He and I have been on trips together, we are both officers of the all-party Royal Air Force group—I have very much enjoyed his support in that group—and we have conferred many times in the past on these matters. I know that he takes a genuine interest in this subject, not least because, as he said, he has a defence-intense constituency. Of course, I am entirely in sympathy with him, because my constituency of Aldershot is also heavily defence-oriented. He will, of course, point out that it is in the south of England. We cannot move Aldershot—it is in the south of England.

[Mr Gerald Howarth]

There can be no doubt that this debate is important to those who take an interest in the future of Her Majesty's armed forces, and to the constituencies of a number of Members in the House. I see that my hon. Friends the Members for South West Norfolk (Elizabeth Truss) and for North Wiltshire (Mr Gray) are here. The hon. Member for Moray has therefore rightly set out several concerns which are, understandably, felt by many Members.

In today's and previous debates, several RAF bases have been mentioned. I would like to put on record the Government's gratitude for the exceptional work of all those who serve in the RAF. I was commissioned in the RAF volunteer reserve and would have joined the service—I nearly did—had I not had political aspirations. Our gratitude extends to the local communities which have, over the years, given such strong support to the bases from which the RAF operates—a point that the hon. Gentleman made forcefully.

However, given the context of this debate, I would like to focus for the moment on RAF Kinloss and its proud association with the Nimrod. The Nimrod force played a vital role in helping to keep this country secure during the cold war. More recently, it played a key role in support of operations in Iraq and Afghanistan, and some RAF Nimrods continue to do so. Kinloss has been the home of Nimrod and those who flew and supported them for nearly 40 years. I am an aviator, and I am acutely aware of the bond between RAF personnel and the aircraft that they service and fly. I understand the shock that was felt when the decision was announced. I know that there is a real sense of loss in the tightly-knit service community, and that seeing pictures of the Nimrods being broken up will have been extremely painful to all of them, as it was to me.

I did not come into government to take such decisions, nor did the Defence Secretary or the Prime Minister. Nor did I come into government to make communities fear for their future as we take difficult decisions on the fate of their bases. The decision to scrap the Nimrod MRA4 programme was one of the hardest we had to take. So how did we come to this situation? That decision must be viewed in the context of the previous Government's dire economic mismanagement of the public finances. Under the stewardship of the former Chancellor, the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown), Labour doubled the national debt and left us with the biggest budget deficit in our peacetime history. Today, we are spending £120 million every single day just to pay the interest charge on Labour's debt. That is Labour's legacy.

Elizabeth Truss (South West Norfolk) (Con): I thank the Minister for allowing me to intervene in this important debate. I understand the concerns expressed by the hon. Member for Moray about bases in his constituency. My concern, given our deficit, is that costs should be taken into account in the basing review. Given that in January the Minister for the Armed Forces said that it would be prohibitive to move engineering facilities away from RAF Marham, could I ask what is being considered in respect of the joint strike fighter maintenance facilities? We need a long-term decision that will reflect the costs and the expertise that has built up in RAF Marham, which employs more people than Kinloss and Lossiemouth put together.

Mr Howarth: I am grateful to my hon. Friend. I had the benefit of visiting Kinloss and Marham, so I am acutely aware of the assets of both bases. All I can say to her is that final decisions have not yet been made. I will come back to that point later on. Ministers will make the decisions based on military advice as well as detailed investment appraisals. I am afraid that that is as far as I can go to reassure her today.

I shall continue on the economic legacy we inherited. In defence, the consequences of 13 years of the catastrophic mismanagement I mentioned a moment ago are more severe than in any other area. Labour allowed a black hole of £38 billion to build up in the forward defence programme, over half of which was made up of equipment and support, with no plans in place to fund it. Restoring the nation's finances is not only critical for the health of our economy and for the future funding of public services, but essential for national security, because a weak economy creates a national security risk.

Every Department has had to make its own contribution to reduce the staggering budget deficit we inherited, and the Ministry of Defence is required to shoulder its share of the burden. However, due to the priority we place on security, the defence budget is making a more modest contribution to deficit reduction than many other Departments. Even so, we are not immune from tough decisions. Some of the toughest decisions were about the Royal Air Force's structure, not least the future of Nimrod.

There is no doubt that the Nimrod MRA4 would have performed an important role. It would have contributed to a wide range of military tasks. We have sought to mitigate the gap in capability through the use of other military assets such as frigates, helicopters, and C-130 Hercules aircraft. We will also request, where appropriate, assistance from allies and partners. However, it is important to remember that the country has been without Nimrod since March 2010. That was when the previous Government withdrew the Nimrod MR2 from service, so this was not a decision of this Government alone.

Why was that necessary? As the hon. Member for Moray knows only too well, the original plan conceived in 1996 was for 21 aircraft to be delivered in 2003—eight years ago. By the time the new Government took office in 2010, the programme had already been reduced to nine aircraft, was almost £800 million over budget and had seen the unit cost of each aircraft rise by 200% from £133 million to £455 million. At the time of the review, a number of design faults had been identified on the first MRA4 aircraft, which would have taken additional time and money to resolve. The headquarters of the contractor, BAE Systems, is in my constituency yet, as the hon. Member for Moray knows perfectly well, that has not stopped me being a vocal critic of its performance on this programme.

As we all know, the decision to scrap Nimrod was not the only difficult decision facing the RAF: the fast-jet fleet of Harrier and Tornado air defence was also affected. The RAF now plans to make a transition to a fast-jet force comprising the Typhoon and the joint strike fighter by 2021. Those were decisions about military capability and priorities. An inevitable consequence was that the RAF no longer requires RAF Kinloss and two other bases. I need to emphasise that—no longer required by the RAF. That does not mean that they are no longer required by defence. I will take the opportunity now to say again that we have not yet taken a decision about the long-term future of RAF Kinloss or any other air base as a result of the strategic defence and security review.

As Members will be aware, another major decision of the SDSR was to return to the UK 20,000 service personnel from Germany, with the intention of returning half by 2015 and the remaining personnel by 2020. Like all other parts of the public sector, defence is looking hard at its land holdings to ensure that we are using them as efficiently as possible. We have the cancellation of Nimrod, a rationalised fast-jet fleet, the return of large numbers of personnel from Germany, and a requirement to realise better value for money and efficiencies through broader estate rationalisation.

Thomas Docherty (Dunfermline and West Fife) (Lab): I have tabled parliamentary questions on the issue of the returning personnel from Germany. I discovered from the Minister for the Armed Forces that there have been absolutely no discussions with Scottish Ministers or the Department of Education in England about the capacity of any of the RAF bases to take the 7,000 children coming back from Germany. Does the Minister not accept that it looks like this is a political decision, not a fact-based decision?

Mr Howarth: The hon. Gentleman makes a point that I am about to make, which is that all I have said adds up to an extremely complex piece of work. He is right. Where the children are to be educated and which base may be best suited to a land army operation are not decisions that can be made on the back of a fag packet. They clearly require considerable thought. I will come on to that again in a moment.

Mr James Gray (North Wiltshire) (Con): The Minister does not need reminding by me that RAF Lyneham and the neighbouring towns of Wootton Bassett and Lyneham provide all the schools, infrastructure and transport that could possibly be needed for returning troops from Germany, and it will be available to them later this year.

Mr Howarth: I am grateful to my hon. Friend for putting that on the record. It looks as though I could organise a competitive tender here, but I am not sure whether his parliamentary allowance could be used to bid to see who would offer the best value to the Ministry of Defence. Having visited Lyneham, I understand the facilities it offers. I reiterate my tribute to the people of Wootton Bassett in his constituency. I have been privileged to see the repatriations with him, and see how the town has been a credit to the whole kingdom for its dignity and the tributes it has paid to the fallen from Afghanistan. As we work our way through these issues, I assure hon. Members that we are well aware of the human dimension—the effect on our own people as they wait to hear how these decisions will affect them and their families.

Angus Robertson: Will the Minister give way?

Mr Howarth: I will give way, but the hon. Gentleman is taking time out of my winding-up speech.

Angus Robertson: I will be very quick. In the last three minutes, could the Minister, for the first time on behalf of the UK Government, explain the strategic logic behind the over-concentration of UK armed forces in the south of England?

Mr Howarth: I would like to answer the hon. Gentleman in my own way, because I want to come on to that issue in a moment.

Decisions will take into account the implications for Tornado personnel operating in Afghanistan and their families. The Army rebasing I mentioned will take account of all deployments to Afghanistan. We know what this means for local communities. Officials from the Scottish Office, the MOD and the Treasury have met the Moray Task Force and representatives from Fife council, so the idea that the local community has not had input is untrue. However, it is imperative that the defence footprint in the UK is determined by national, not regional, requirements.

It is worth stressing that the defence budget is used to buy the best equipment for the armed forces at the best value for money for the taxpayer. Where the companies are located is not the responsibility of the MOD. Defence is not an exercise in quotas for the regions and nations of the UK. Using the logic of the hon. Member for Moray, we could say that Dorset, Kent or Cornwall have not had their fair share among the English counties. He mentioned southern England, but what about northern England? Once we go down that line, we are on a hiding to nothing. The MOD has an interest in the defence footprint principally in so far as it enables our military functions to be better performed and the UK better defended.

We are the Conservative and Unionist party, so we recognise that all regions have a part to play in the defence of the UK. The hon. Gentleman did a good job in playing down the defence footprint in Scotland, but he is wrong to do so. The MOD has—and will continue to have—a considerable footprint in Scotland. It has a presence in nearly 400 locations and employs nearly 20,000 people. Even if his worst-case scenario came about, Scotland would still have one of three fast-jet main operating bases; one of three Royal Navy bases, which is the largest single-site employer in Scotland; a significant army presence; and a shipbuilding industry with thousands of jobs sustained by contracts for aircraft carriers and destroyers.

We must not forget that Scotland's extraordinary contribution to the defence of the UK manifests itself today in the presence of the ultimate representation of Britain's military prowess—her independent strategic nuclear deterrent, which the hon. Gentleman wishes to get rid of. He cannot claim to be a champion of defence jobs in Scotland while advocating that the UK abandon its nuclear deterrent. He claims to be acting in the interests of Scotland, but he knows as well as I do that his party's policy would leave Scotland bereft of jobs in the defence industry, and vulnerable to nuclear blackmail or, even worse, attack.

Mr Joe Benton (in the Chair): Order. We now move on to the next debate.

Rail Services (South-East London)

1 pm

Mr David Evennett (Bexleyheath and Crayford) (Con): I am grateful for the opportunity to raise once again my concerns, and those of my constituents, about rail services in south-east London. The problems experienced by all rail users, whether daily commuters, pensioners, families or holidaymakers, remain frustrating and annoying for local people.

I am pleased that my right hon. Friend the Minister is present and I know that she will listen carefully to the points raised and respond sympathetically. I put on record my thanks for her responses to my letters and questions. She is always constructive on such matters and her letter to me of 31 January was particularly helpful. I am pleased that my hon. Friend the Member for Orpington (Joseph Johnson) is present, as is my neighbour the hon. Member for Erith and Thamesmead (Teresa Pearce). It shows that not only my constituents, but those in Erith and Thamesmead, Bromley and Orpington have had a tough time recently due to poor rail services in the area.

There are four stations in my constituency—Barnehurst, Bexleyheath, Crayford and Slade Green—and they are used to make nearly 5.5 million journeys every year. Some of my constituents also use Abbey Wood, Erith or Welling stations. Because there are no London underground or docklands light railway stations in Bexley, my constituents are more reliant on overground services than people in most other London boroughs. Therefore, when there is a problem with the trains, the only real alternative is to take a bus to a neighbouring borough to catch the tube or DLR.

I would like to make a short positive comment about the buses. Under the leadership of the Mayor of London, Boris Johnson, bus services in our area have improved considerably and buses are more frequent, reliable and cleaner than in the past. With the introduction of safer transport teams, which I know the Mayor is keen on, there have also been considerable improvements in safety on the buses. Obviously, there are things that could be improved. I contacted the Mayor and Transport for London about diverting the route of the 96 bus to serve Darent Valley hospital directly. My constituents use that hospital more and more, and it would be helpful for patients and visitors if the buses could be slightly re-routed.

Joseph Johnson (Orpington) (Con): I add my voice to my hon. Friend's words of support for the Mayor's bus policy generally and for the improvements to transport within London. There are small areas of criticism: the route of the 320 bus, the extension from Bromley North to Catford, has not worked. I urge TfL to revert to the old route of Biggin Hill to Bromley North, which was very successful.

Mr Evennett: I am sure that that will be noted and taken on board by the relevant authorities.

Rail services in south-east London are part of the integrated Kent franchise, and are currently operated by Southeastern railway. The present franchise agreement started on 1 April 2006 and initially runs until 2012. If Southeastern meets certain targets set out in the contract, the franchise may be extended for a further two years until 2014. At the time it was agreed that Southeastern would receive a huge public subsidy of £585 million over the lifetime of the franchise, and promises were definitely made about investment in facilities and improvements.

A written ministerial statement announced the franchise in November 2005. The then Secretary of State for Transport, the right hon. Member for Edinburgh South West (Mr Darling), claimed:

> "I am satisfied that the competition for the franchise has resulted in a contract that represents very good value for taxpayer. It is a tough contract on which Govia will be expected to deliver."—[*Official Report*, 30 November 2005; Vol. 440, c. 34WS.]

That has proven to be wrong. Commuters are paying significantly higher fares, performance is not up to the level passengers rightly expect, and communication is very poor, especially when something goes wrong.

Trains are busier. Since Connex lost the franchise, there are 800,000 more journeys from stations in my constituency every year. As a commuter on Southeastern, I understand the anger that my constituents feel about the service that they pay for. They expect—and deserve—better. The Govia website makes many promises about the improvements that it will bring to the franchise, claiming that trains will be less crowded, more punctual and cleaner, and that there will even be wi-fi access on some stations. However, some of those things have not been delivered, and the improvements that I have requested for local stations have often been difficult to obtain.

In September I held an Adjournment debate about the campaign I started in May 2009 for step-free access at Crayford station. Currently, only the London-bound platform 1 is fully accessible. Platform 2 can be accessed only by a footbridge, and is therefore difficult for those with mobility problems or those who have young children and have problems with the steps. During that debate, I highlighted the numerous problems that I experienced in getting Southeastern to open an existing gate on platform 2 to a pathway that already runs along the side to Station road. The cost of the scheme was minimal, and the only issues concerned the ownership of the land that the path goes through, and making the area safer. All I asked was for Southeastern to open the gate and install an Oyster card point, but initially it decided that it would not proceed with that scheme for financial reasons. After the Adjournment debate, however, and the helpful intervention of the Under-Secretary of State for Transport, my hon. Friend the Member for Lewes (Norman Baker), Southeastern agreed to install the Oyster machine and open the gate.

That was welcome progress and I would like to put that on the record. At this stage, we are waiting for the transfer of land from the owners, Sainsbury's, to Bexley council to be completed. That has taken some time because issues such as resurfacing and lighting need to be resolved. Bexley Councillor Linda Bailey is responsible for ensuring that the scheme goes ahead, and I understand that she and the leader of the council will be looking to see what they can do in that area. I have every faith and hope that the matter will be brought to a successful conclusion. I had similar problems with Southeastern when campaigning for step-free access to Barnehurst station. That was easier to achieve, however, and it was much needed and welcomed by local commuters and residents.

Sometimes, issues with Southeastern are not easily resolved because the company does not take on board the seriousness of the problem. For example, at Barnehurst station—the station I use—the waiting room is open only for a couple of hours late in the afternoon. A similar situation exists at other stations. That is ridiculous because the majority of people do not travel at tea time, between 4.30 pm and 6.30 pm, and constituents have complained.

Southeastern needs to be more proactive in understanding what constituents and commuters want. It is also failing in other important areas and people are becoming increasingly vocal about their displeasure. One needs only to search for comments about Southeastern on Twitter to see what people really think about the services provided. Comments include:

> "First train out of Victoria this morning....is filthy"

and there are complaints that the toilets are not clean, and that the service was late or cancelled. All aspects of the service are not up to the standard they should be.

Joseph Johnson: My hon. Friend is generous to let me intervene again. I support his point. There is an urgent need for Southeastern to show more responsiveness to the concerns of constituents. The lift at Orpington, which is so necessary for people with limited mobility, was out of action for eight weeks at the end of last year and the beginning of this year. It took the threat of a wheelchair demonstration by disabled people to get the lift back to working order.

Mr Evennett: It is disappointing that Southeastern is not more proactive when dealing with the problems faced by constituents, the fare-paying public, so as to help to improve facilities and services.

Of course, the main issue that we are discussing today—an issue that my hon. Friend the Member for Orpington and the hon. Member for Erith and Thamesmead are well aware of and have raised concerns about—is the period of bad weather that we had at the end of last year. Despite the snow being forecast, it seemed that Southeastern was not in any way prepared for it. Trains were cancelled at very short notice, and a reduced service operated. Some stations had no trains stopping at all for long periods. If trains did run, they were very congested and were running with fewer carriages. As a result, many people simply gave up on the trains and tried to find alternative routes to work.

There were also real problems with the information provided to customers. On some days, stations such as Crayford were not manned at all. If station staff were able to make it through the snow to the stations, they were not properly briefed by their managers on the services that were running and where the trains would be stopping. I commend the staff at my own station of Barnehurst. They do a fantastic job; they are friendly, efficient and really nice people. But during that period, when they were asked when there would be a train, they had not been told—they had no information coming through—and they were the first point of contact for people who came to the station to see what was going on.

The Southeastern website was also useless and at times misleading.

Teresa Pearce (Erith and Thamesmead) (Lab): I thank the hon. Gentleman both for giving way and for obtaining the debate. On the point about the website, constituents came to me saying that the website said that their service was running when it was not and they had unsympathetic employers who said, "I don't believe you couldn't get to work because the website says there's a service running." Did the hon. Gentleman have the same experience with his constituents?

Mr Evennett: I agree; I had exactly the same experience with my constituents. The website was useless, giving wrong information, which of course fed through to other people, who said, "Well, the service seemed to be running because it said so on the website." That is a fair point and I am grateful for the hon. Lady's comment.

All that increased the pressure on station staff, and tempers flared in some circumstances. The communication was absolutely appalling. I cannot understand why that was allowed to happen and why someone from Southeastern was not briefing the local radio stations. I happen to listen to LBC and Magic in the mornings, and they are very good stations, but they had no information at all. Any good organisation would have passed the information to the media, so that they could update people who were getting ready to go to work. On one occasion, I had to drive up to Westminster because I could not guarantee that there would be a train to take me up and bring me back.

Recently, I was privileged to be at a meeting of Kent MPs with Southeastern, which was organised by my hon. Friend the Member for Maidstone and The Weald (Mrs Grant). I was underwhelmed by the excuses offered by its managing director, Charles Horton, and his team. Although some of the blame of course lies with Network Rail, I do not believe that Southeastern has learned the lessons and I am worried about the consequences for passengers. I wrote to the Minister to ask questions about that and am grateful for her response.

However, the poor performance cannot be blamed only on the snow. I believe that the service has got worse since September. I receive regular e-mails and am regularly contacted by constituents on the matter—sometimes when I am travelling with them on our daily commute up to Westminster. The comments are universal. One person said:

> "The service/performance is failing…The passengers' charter is a list of meaningless words."

I am told that the service is not any better; it is worse. Those are the words of constituents. I, too, have concerns and I share their views.

Some constituents say that the journey is taking longer and that the problem is affecting their job. Punctuality is a real issue. Despite the poor performance, Southeastern has been trying to avoid paying compensation and reducing the cost of season tickets. Regrettably, that is because of the low targets agreed with the previous Government. If punctuality falls below 82% during a 12-month period, Southeastern is supposed to cut season ticket prices by 5%. That means that nearly one in five trains can run late without incurring a penalty. That is poor service and it was a poor agreement at the time. Also, by running an emergency timetable during the period of bad weather, Southeastern was able to distort the statistics by not counting the trains that it should have run. Southeastern is therefore claiming that its

[Mr Evennett]

punctuality was 82.04%—marginally above the season ticket discount threshold. That is a betrayal of commuters and it is unacceptable.

To support its case, Southeastern recently commissioned the university of Sheffield to audit the statistics. Predictably, it found the following:

> "As judged against the present validation criteria, the source data, processing and public information for the Passenger's Charter are satisfactorily accurate."

I am sceptical about that and I understand from correspondence with the Minister that the rail industry's national taskforce will be looking into the operation and performance of both Southeastern and Network Rail. I hope that the Minister will look closely into the validity of Southeastern's figures and perhaps consider an independent audit, taking into account all the matters that I have raised.

Fares have gone up again dramatically because of the agreement that they could be increased by retail prices index inflation plus 3%. That has meant that many people in our area have been clobbered by high fare rises. Again, that seems unfair to me and to my constituents.

So what of the future? There are some welcome developments under way that should help to increase rail capacity and reduce overcrowding. I know that the Minister is working hard to improve the opportunities for travel in and around London and throughout the country. I am a big supporter of Crossrail and hope that it will be delivered on time. I believe that, when the time is right, it should be extended beyond Abbey Wood. We are very keen for that to be done. The hon. Member for Erith and Thamesmead has been an advocate for that as well. We are looking forward to having Crossrail at Abbey Wood. There will be more capacity then.

There is the redevelopment of London Bridge station, which should help to relieve some of the congestion problems caused by the bottlenecks. Again, we have to be patient and wait, but I do not want the improvements to be made in the long term—I would like improvements to be made now for our constituents and residents of Bexley and Bromley, so that they can get to work in a more satisfactory fashion.

Information is vital, but that has been the greatest failure of all. However, I am very happy with the approach that the Minister has taken. I hope that she will help me even more this afternoon in her response to the debate, because there is real concern in my area and that of my colleagues about the current operator, the current franchise agreement and the future bidding process. She is reasonable, understanding and usually pretty positive in her approach. I hope that she will look at the transport in south-east London and say that it is not acceptable at the moment and it must improve.

1.17 pm

The Minister of State, Department for Transport (Mrs Theresa Villiers): It is a pleasure to speak under your chairmanship, Mr Benton. I congratulate my hon. Friend the Member for Bexleyheath and Crayford (Mr Evennett) on securing the debate and on his passionate defence of his constituents, particularly his commuting constituents. He is a steadfast campaigner for his constituents. I am very much aware of the significant concern expressed about the quality of rail services in south-east London and Kent by my hon. Friend and a number of other MPs, stakeholders and passengers. It is good to see my hon. Friend the Member for Orpington (Joseph Johnson) and the hon. Member for Erith and Thamesmead (Teresa Pearce) here to take part in the debate as well.

I fully appreciate how important rail service provision is in the suburban constituency of my hon. Friend the Member for Bexleyheath and Crayford, where so many people commute into London every day and which I have enjoyed visiting on a number of occasions during the past 10 years or so. As he set out, recent months have seen an overall decline in the reliability of services under the Southeastern franchise, culminating in the huge disruption that occurred during the cold weather episodes at the end of last year. He outlined some of the most troubling examples.

Ministers and officials were in constant contact with train operators and Network Rail throughout the severe weather. I think that we all accept that, unfortunately, some disruption is unavoidable when extreme weather conditions occur, but it is imperative to ensure that lessons are learned from the severe problems that passengers experienced in my hon. Friend's constituency and elsewhere during the severe weather at the end of last year. That is why we asked David Quarmby to conduct an urgent audit of how our transport networks performed. We now expect the rail industry to act on the findings of that audit.

I have already had many discussions on the cold weather episode with senior representatives of the rail industry and will be meeting them again soon for an update on extending the trial of heated conductor rails, which could make a significant difference to resilience on the third rail networks; strengthening de-icing arrangements; dealing with stranded trains; and, crucially, improving passenger information generally and during times of disruption.

My hon. Friend rightly said that that was exposed as a severe problem during the recent poor weather. Like him, David Quarmby emphasised that electronic information on its own simply is not enough; train operators need to ensure that staff are properly briefed so that they can give passengers as much information as possible about which services are running and what they can expect despite the disruption.

It is imperative that reliability on the Southeastern network improves. It is imperative that the train operator becomes more responsive to its customers, as my hon. Friends the Members for Bexleyheath and Crayford and for Orpington emphasised. I will ensure that their comments on step-free access at Crayford, the waiting rooms at Barnehurst, toilet cleanliness and the lifts at Orpington are passed on to the train operator. The rail reforms that we are considering are designed to give train operators more opportunities to invest in improvements to such facilities, to make them more responsive to passengers and to give them the right incentives to perform reliably and well.

I have asked the rail industry's national taskforce specifically to consider the performance of Southeastern and Network Rail in Kent. We need improved performance from the operator and Network Rail, as the infrastructure provider, if we are to make the progress that the constituents of my hon. Friend the Member for Bexleyheath and Crayford want. I say that because Network Rail is responsible for about 60% of delays and cancellations on the Southeastern network.

My officials monitor Southeastern's performance on a four-weekly basis. I met Charles Horton, managing director of Southeastern, on 14 February and I asked him a series of searching questions based on the concerns raised with me by MPs and their constituents, many of which my hon. Friend has echoed. In the coming weeks, I will follow that up with a further meeting with Mr Horton and the Network Rail route director for Kent, and I will expect them to set out how they plan to improve their performance and to respond to the concerns that have been rightly raised in the debate. I will interrogate them on their response to the Quarmby audit and on the lessons to be learned from the cold weather disruption, although I should emphasise that there was already a significant problem before the snow arrived, as my hon. Friend said. I will urgently seek assurances from Network Rail and Southeastern on how they propose to improve overall performance.

Joseph Johnson: In those discussions with the management of Southeastern, will my right hon. Friend please ask when fast trains will stop at Orpington during peak hours? Orpington is a major commuter town, but we do not have fast trains during peak hours. My constituents are on their knees begging for such a service.

Mrs Villiers: I appreciate the importance of that issue. Although my discussions will focus on the reliability of the current service, I am happy to take on board my hon. Friend's representations, and we will obviously take them very seriously as and when preparations are under way for timetabling changes.

It is important to mention some major capacity improvements, which will be delivered in the years to come. Despite the crisis in the public finances, the Chancellor has prioritised rail, and £18 billion will be invested in rail capital projects during the spending review period. Our ambitious programme will deliver real benefits for rail users across the country, including in south-east London and Kent.

Thameslink is going ahead in line with its original scope, albeit over a slightly longer time frame than originally envisaged. That will virtually double the number of north-south trains and deliver up to 1,200 new carriages. It is too early to say exactly how the programme's benefits will be shared between different areas, because timetabling decisions are still some way off. However, even those communities that do not benefit directly from the new upgraded services could receive cascaded rolling stock to relieve overcrowding.

As my hon. Friend the Member for Bexleyheath and Crayford recognised, the coalition has secured the funding to ensure that Crossrail is delivered in its entirety, including the Abbey Wood branch, which was the subject of so many scare stories from our political opponents. The project will deliver a 10% uplift in rail capacity across London and much improved access to jobs for many people across the capital, including south-east London, and in the south-east. It will open up new journey opportunities to docklands, the City, central London and our major airports. Furthermore, the Secretary of State recently announced that negotiations had been successfully concluded to allow a station box to be constructed at Woolwich. The coalition's plans for rail therefore offer real potential benefits for people in south-east London.

I very much recognise the concerns that my hon. Friend's constituents have expressed about rail fares. The retail prices index plus 3% formula was included in the franchise when Labour let it in 2005. That was to reflect the more than £600 million spent on 618 new rolling stock vehicles and the £93 million of investment in power supply, stations, depots and related infrastructure. Much as I would like to see the RPI plus 3% formula abandoned, that is unfortunately not possible in the current fiscal climate. The deficit we inherited from the previous Government means that we face some difficult choices, including asking passengers to pay a little more to support the massive investment in rail that I have just outlined, although we expect significant elements of that programme to benefit people across south-east London. None the less, it is imperative that the cost of running the railways comes down, because it is too high. Sir Roy McNulty is running an in-depth review into why the cost is so high. For the sake of taxpayers and fare payers in my hon. Friend's constituency and across the country, we are determined to find the right solutions to deliver a more sustainable financial future for the railways.

My hon. Friend talked about his long-running campaign to extend Crossrail to Ebbsfleet. The route to Ebbsfleet was safeguarded in 2009, and we expect that to remain the case. Safeguarding preserves that option for the future. Of course, our current priority is to press ahead with construction and to deliver the Crossrail project within budget and according to the new timetable. However, we do not rule out the option of extension in the future.

My hon. Friend also raised concerns about the compensation regime that applies to Southeastern. I have not seen evidence that the figures have been dealt with inappropriately, but if any were drawn to my attention, I would of course take action. I recognise the concerns raised by his constituents about the way the compensation regime operates, and we are certainly happy to consider a more robust regime for future franchises that perhaps gives passengers more effective protection.

Mr Evennett: I am grateful for that helpful answer, but Southeastern is so marginally over the figure that one can understand constituents being sceptical.

Mrs Villiers: I am aware that there is a lot of concern and scepticism about the figures, but, as I said, I can reach a judgment only on the basis of the facts that are presented to me. My hon. Friend will appreciate that Southeastern is legally required under the franchise to have its figures independently audited, so we have that safeguard of an independent check on the figures.

In conclusion, it is vital that Southeastern and Network Rail significantly improve their performance on the lines serving my hon. Friend's constituency and the whole of south-east London, as well as on its routes in Kent. I will continue to press both on the issue, and I very much welcome the opportunity to debate it today.

Trident

1.29 pm

Katy Clark (North Ayrshire and Arran) (Lab): It is a pleasure to see you in the Chair today, Mr Benton, and to secure the debate. Its focus is on the cost issues associated with Trident, and on issues of parliamentary scrutiny. Many other issues are associated with Britain's possession of nuclear weapons, but I hope that in the short time we have today we shall focus on the aspects I have mentioned.

The background to the matter is of course that in March 2007 the House voted to support the decision taken by the then Government as set out in the White Paper "The Future of the United Kingdom's Nuclear Deterrent" to take the steps necessary to maintain Britain's nuclear weapons capacity after the Vanguard class submarines leave service in the mid-2020s. The motion that was passed also said that we should take steps towards meeting the UK's disarmament responsibilities under the non-proliferation treaty. I voted against replacing Trident, but I believe the concerns I am raising today are shared by many hon. Members, and probably by Members on both sides of that debate.

After the vote in March 2007, the Ministry of Defence began the first stage of the process known as the concept stage, which was due to end with the initial gate decision point. That was one of the points of scrutiny of the project. The initial gate report was expected in September 2009, but it has still to be published. The decision whether to authorise the construction of the submarines is to be taken at the later main gate scrutiny stage, which was originally scheduled for 2012-14, but following the conclusion of the strategic defence and security review, that has been delayed until 2016, beyond the next general election.

The White Paper published at the end of 2006, which was voted on in 2007, estimated that the cost of the replacement of the system would be between £15 billion and £20 billion at 2006 prices. No updated estimate in current figures has been provided, and today I shall ask the Minister to ensure that one is provided to the House, particularly given that we know from the information that is in the public domain that spending so far is over-budget. Specifically, I understand that the current submarine programme for the Astute class is running 57 months late and £1.35 billion or 53% over budget. Expenditure on the concept phase has also significantly exceeded its budget—£309 million was originally set aside, but spending up to June 2010 exceeded that, with a figure of £570 million. That is an overspend of 84%. The House is right to be concerned, given that the information provided to this place and to the general public seems to show that spending to date has been far greater than originally projected.

The year 2010-11 has £330 million allocated for the Trident replacement programme. An estimated 15% of the submarine cost is due to be spent during the assessment phase prior to the main gate, based on the 2006 figures. That would amount to about £2 billion, using the MOD's 2006 figure of a requirement of £11 billion to £14 billion for the submarine replacement plans. It is apparent from the concept phase that the cost of the programme is already increasing. The MOD has refused to provide annual budget figures for the assessment phase period up to 2016 until after the publication of the initial gate.

There also seems to be no intention to provide Parliament with regular reports of the progress of the programme until after the initial gate. Recent statements by the Secretary of State for Defence have confirmed that orders for major items required in the construction of submarines will be placed prior to main gate, and indeed a response to a recent freedom of information request revealed a plan to place more than £1 billion before the main gate approval in 2016, in relation to the various orders for submarines and matters associated with that work. That information was confirmed in answers to questions tabled by hon. Members. The answers to freedom of information requests, and recent answers to parliamentary questions, seem to show that a large proportion of the first boat will be ordered ahead of main gate, as well as the reactors for the second and third boat.

The 2010-11 budget for Trident replacement exceeds that of the planned budget for the whole of the concept phase from years 2006-08 to 2009-10, although we have yet to reach initial gate. I therefore think that the House is right to be concerned about the costs incurred to date, which seem to be well in excess of the projections and information provided to the House in 2007, when the decision was taken, but also about the lack of parliamentary scrutiny of the programme.

John Woodcock (Barrow and Furness) (Lab/Co-op): I congratulate my hon. Friend on securing the debate. Does she agree that in any decisions that are taken we do not want to add further to the cost of the programme, and that it would therefore be helpful for the Ministry of Defence to set out the change in the cost profile that has already been conferred by the delay in the main gate decision, and the totality of increased costs that could flow from that?

Katy Clark: I agree, and my contention is that it would be helpful if as much information as possible could be put before the House, so that this place takes the right decisions, and so that whatever decisions are taken in years to come will be based on the fullest information, made available not just to Members of the House but to the general public.

Michael Connarty (Linlithgow and East Falkirk) (Lab): I congratulate my hon. Friend on securing this important debate. Is it not about time that the Government published the value-for-money review that was undertaken in 2010? Throughout the defence budget we have cuts that seem to be completely driven by putting the cost down as low as possible; yet here we have a massive overspend. People want to know what value for money we are getting from this atrocious weapons of mass destruction programme.

Katy Clark: I agree with my hon. Friend's points, and will ask the Minister to publish the value-for-money review that was undertaken in 2010. My hon. Friend has made powerful points: when we see other decisions made by the Ministry of Defence, including cancelled contracts and cuts, it seems that a different approach is taken to the project in question.

Dr Julian Huppert (Cambridge) (LD): I congratulate the hon. Lady on securing this excellent debate, which is generating a lot of interest. Does she agree that a key issue is that the main gate decision in 2016 should be a proper decision? There is real concern that if too much money is spent before then, the next Parliament may not have a proper decision to make. It may be trapped, as the present Parliament has been over aircraft carriers.

Katy Clark: The hon. Gentleman is correct, and I am delighted that he is here today, and, indeed, about the cross-party support that has been raised. An early-day motion has been tabled by my hon. Friend the Member for Islington North (Jeremy Corbyn), which highlights some of the issues and the concern that contracts are being made, perhaps, in a way that goes against the spirit of undertakings made in the 2007 debate. That may mean that the decision that Parliament will take later will be tied by the amount of money already spent on the project. That is one reason for some requests that I will make of the Minister today. The first is that we should, as has been mentioned, publish the value-for-money review undertaken in 2010. Equally importantly, we need to ensure that the House has a full debate on the initial gate report and that decisions are taken with its consent.

I urge the Minister to explain some of the figures that I have cited today, particularly why the 2010-11 budget for the Trident replacement has exceeded the planned budget for the whole of the concept phase, which ran from 2006 to 2010. I urge the Government to publish an up-to-date budget for work done during the assessment phase before the main gate decision, and to say how much they plan to spend on orders for construction before the scrutiny of main gate, in view of recent statements and information provided by the Ministry of Defence. Given the clear increase in costs, it is only fair that the Government should publish the estimated full project costs in current prices, as it is clear that the information provided to the House in 2007 will no longer be accurate. Finally, I ask for a full strategic review of the UK's possession of nuclear weapons before the main gate decision is made and orders for construction begin, and to give MPs the opportunity to debate and vote on the continuation of the programme, based on up-to-date information.

I have consented to the vice-chair of the Campaign for Nuclear Disarmament, my hon. Friend the Member for Islington North (Jeremy Corbyn), making a short contribution to the debate, and I understand that the Minister, too, has consented. I hope, Mr Benton, that you have no objection to my hon. Friend making a short contribution.

1.41 pm

Jeremy Corbyn (Islington North) (Lab): I shall be brief, as it is a short debate and we wish to hear the Minister's reply. I congratulate my hon. Friend the Member for North Ayrshire and Arran (Katy Clark) on securing this debate and on her work for peace in general. I declare an interest. I am chair of the all-party CND group, and the national vice-chair of CND.

As my hon. Friend pointed out, I tabled early-day motion 1477, about the Government's plans to order steel for the first new Trident replacement. It is important that the Minister has the opportunity to answer this point. We were told during an important parliamentary debate in 2007—it attracted a substantial dissident vote by Labour Members against the early replacement of the Trident nuclear missile system—that the initial gate decision would not be taken until this Parliament and that we therefore had nothing to worry about. With the assistance of the excellent CND national office, I recently tabled a large number of parliamentary questions. I shall not refer to them all, but they were answered on 16 February.

I asked the Secretary of State whether steel for the substantial construction of the hull structure of the first boat would be made as a long-lead purchase prior to main gate. The Minister answered:

> "Yes. The specialist high strength steel needed for the hull structure for the first boat is included as a long-lead item in the Initial Gate Business Case for the programme."

I also asked the Secretary of State how much his Department had allocated to the Trident replacement programme in each year between 2010-11 and 2015-16. Those are crucial dates, as that is when initial gate is supposed to happen. The Minister answered:

> "Approximately £330 million was allocated to the programme to replace the Vanguard submarine."—[*Official Report*, 16 February 2011; Vol. 523, c. 805-06W.]

It seems to me that the Ministry of Defence is running ahead of itself, and well ahead of authorisation by Parliament for spending such sums on preparation for the development of a new submarine and missile system before Parliament has had the opportunity to vote on it. In addition, it was discovered during the previous Parliament that large sums had been spent on upgrading the Atomic Weapons Establishment at Aldermaston in preparation for the development of the missile systems to go into those submarines.

Personally, I am completely opposed to nuclear weapons. I believe that they are immoral; they are weapons of mass destruction. The world would be a lot better off without them—and this country would be extremely well off without them. However, that is not the point of today's debate. This debate is about the costs and the decision-making process, and about Parliament's involvement in those matters.

Every three months, the Foreign Secretary and the Secretary of State for Defence commendably report to the House on progress or otherwise in Afghanistan, and we have the opportunity to question them. If the Ministry of Defence is so determined to spend such large sums, there should at the very least be an open debate in Parliament on the subject before those decisions are made. We signed a nuclear non-proliferation treaty many years ago that commits us to making long-term efforts on nuclear disarmament. As well as seeking to prevent other non-nuclear declared states from possessing nuclear weapons, I believe that we should fulfil our obligations under that treaty. I hope that the Minister will explain under what authority that money was spent, why it was spent ahead of a parliamentary decision, and when and if he will make a statement to the House on that expenditure and the purposes behind it.

1.46 pm

The Parliamentary Under-Secretary of State for Defence (Peter Luff): I genuinely congratulate the hon. Member for North Ayrshire and Arran (Katy Clark) on securing this debate.

[Peter Luff]

In recent weeks, there has been quite a lot of commentary on the replacement submarine programme for Britain's independent nuclear deterrent system, often referred to as the Trident programme. Much of it was incorrect, so I welcome the opportunity to discuss the matter. I doubt whether I shall reassure the hon. Lady on every question, as there is disagreement between us on the principles involved, but I have some good news and some clarification.

Before dealing with the scrutiny of the successor systems to our current nuclear deterrent, and for the avoidance of any doubt—I answer also the points raised by the hon. Member for Islington North (Jeremy Corbyn)—let me be clear about the Government's policy on the nuclear deterrent. The first duty of any Government is to ensure the security of the people. The nuclear deterrent provides the ultimate guarantee of our national security, and has done so for more than 50 years.

The argument is often made that, because there is no immediate threat to the UK, there is no need to replace the current deterrent system; however, if history has taught us anything it is that predicting future events is difficult. We do not know how the international environment will change over the next 50 years. For example, how many people predicted the current speed and the scale of change in north Africa?

Dr Huppert: Will the Minister give way?

Peter Luff: I shall not give way. I have some important points to answer, and I do not have time to take interventions—except, of course, from the hon. Lady.

We cannot be certain that no existential threat to the UK will ever emerge. As a result, we cannot unilaterally do away with this ultimate insurance policy. That is not to say that, when the time is right, we will not move away from nuclear weapons. Our long-term goal is to have a world without them, and we will do all that we can to counter proliferation, to make progress on multilateral disarmament, and to build trust and confidence across the globe.

In our strategic defence and security review, we went further than any previous Government in giving assurances to non-nuclear members of the non-proliferation treaty that we would not use or threaten to use nuclear weapons against them. As part of that confidence-building initiative, we announced that our overall nuclear warhead stockpile ceiling will reduce from not more than 225 to fewer than 180 by the mid 2020s. In addition, we announced that over the next few years we will cut the maximum number of nuclear warheads on board each deployed submarine from 48 to 40, that we will reduce our requirement for operationally available warheads from fewer than 160 to no more than 120, and that we will reduce the number of operational missiles carried to no more than eight. None the less, on 9 February, the Prime Minister said:

> "I profoundly believe that we should maintain our independent nuclear deterrent. I have looked at all the alternatives over the years, and I am completely convinced that we need a submarine based alternative—a full replacement for Trident—in order to guarantee the ultimate insurance policy for this country. I am in favour of a full replacement for Trident, a continuous at-sea deterrent and making sure that we keep our guard up"—[*Official Report*, 9 February 2011; Vol. 523, c. 296.]

I take this opportunity on behalf of the House to pay tribute to the professionalism of all those Royal Navy and civilian personnel who answer this country's call to operate and support this vital national capability on behalf of us all—seven days a week, 365 days a year. Last year, I visited HMS Vanguard and met some of our dedicated service personnel; I was truly impressed by their commitment. It is important that hon. Members should remember that, as we speak, those men are out there somewhere in the oceans at this very moment providing Britain's and NATO's ultimate security guarantee. They and their predecessors have so far provided a 42-year unbroken chain of continuous at-sea deterrence, keeping all of us and our allies safe. It is a fact of life that the current class of Vanguard submarines is ageing, yet while the nuclear threat remains we will maintain a nuclear deterrent. That is why we are continuing with a programme to replace the current deterrent.

One theme that has emerged—it emerged in the hon. Lady's speech today—from those who do not see merit in this policy is that the Government are embarking on a programme of replacing the Trident system by stealth and that Parliament has not had the opportunity to consider the issue. That is simply not true. In 2006, the previous Administration published the White Paper "The Future of the United Kingdom's Nuclear Deterrent," which clearly set out why the UK needed to renew its deterrent system, what options were available and how much they were likely to cost. The conclusions of the White Paper remain as valid today as they were when they were first published. That paper was scrutinised by the House of Commons Defence Committee and was debated in full in July 2007. The House voted by a significant majority to

> "take the steps necessary to maintain the UK's minimum strategic nuclear deterrent beyond the life of the existing system."—[*Official Report*, 14 March 2007; Vol. 458, c. 298.]

That is exactly what we are doing.

Given the serious economic conditions that we inherited, we decided to commit ourselves to reviewing the Trident replacement programme to ensure that we were spending only the minimum necessary. That is why, in addition to the disarmament measures I have already mentioned, following the value for money review conducted last year, we announced a number of changes to the Trident replacement programme. For the submarine, this included deferring the delivery of the first boat to around 2028 and consequently deferring the main investment decision—or main gate—until 2016. I note the hon. Lady's call for the publication of the value for money study, but I have to disappoint her. It contains a number of highly classified documents that are not suitable for release. However, all the important conclusions were published in full on page 38, paragraph 3.10 of the Strategic Defence and Security Review.

We were also able to announce our intention to work more closely with industry to improve efficiency in the programme. Since that announcement, we have taken huge steps with our three key suppliers—BAE Systems, Babcock and Rolls-Royce—to develop what we now call the submarine enterprise performance programme, which has three key aims: to retain and develop our world-class design, build and support skills, which are essential for delivering the nuclear programme; to realise significant savings by improving our approach to designing, building and supporting these submarines and, by way of example, through the rationalisation of facilities and sharing of resources; and, with industry, to improve our delivery performance. I saw that for myself a few weeks ago when I visited Barrow and Furness with the hon. Member for Barrow and Furness (John Woodcock), whom I am pleased to see in his place. I was hugely impressed with what I saw and with the dedication of the work force.

The Ministry of Defence, industry and the work force have risen to this challenge, and I have seen a step change in the way in which we are working with industry to ensure that our nuclear programme is delivered successfully. All in all, the decisions we took during the SDSR allowed us to save £1.2 billion and defer a further £2 billion of expenditure over the next 10 years. I can confirm to the hon. Lady that the figures for the total cost of the programme are as quoted in paragraph 3.10 in the SDSR.

> "The review has concluded that the overall cost of the submarine and warhead replacement programmes and associated infrastructure"—

the three separate parts of the programme—

> " remains within the £20 billion cost estimate foreseen in 2006 at 2006 prices."

Therefore, the cost estimate remains valid. However, we did not say that we would do nothing until 2016. As for the reference to the delay of the Astute programme, I have to say that we have learned our lesson the hard way—if one stops doing something it costs a lot to start doing it again. That is the root of the problem and a mistake that we must not make again with its successor.

Let me stress again that we did not say that we would do nothing until 2016. We must be clear about the scale and challenge of this project. A submarine designed to carry the nuclear deterrent ranks with the space shuttle as one of the most complex engineering feats in the world. The submarine has a nuclear reactor; nuclear weapons; steam systems; hydraulic systems; electrical and electronic systems; and computing systems, as well as tactical weapons and sensors. It needs to sustain its crew while remaining submerged and undetected for months on end. It is a tremendous challenge to bring those complex components together, and we have an enormous programme of work to complete if we are successfully to see the delivery of the first boat in around 2028. The first significant milestone in this process is the so called "initial gate" investment point.

At initial gate, we will agree the broad outline design of the submarine and some of the component designs, including the propulsion system, and set out the programme of work we need to complete so that we are ready to start building the first submarine in 2016. We will also agree the amount of material and parts—and for which boats—we will need to buy in advance of the main investment decision, and yes, that will include steel. However, we are not planning to procure any such items for the fourth boat at this point.

The precise value of the steel and the other long-lead items will depend on the final initial gate approval, but it is likely to amount to around £500 million, some way short of the £1 billion that the hon. Member for Islington North (Jeremy Corbyn) has cited in the past. There is nothing unusual in that; it is normal practice for most large procurement programmes.

Jeremy Corbyn: The figure I cited was the one that the Minister gave himself, which is £330 million. I asked where the parliamentary authority came from for that expenditure.

Peter Luff: I am sorry if the hon. Gentleman's figures have been misunderstood by the Department. I was told that he said a figure around £1 billion. The authority comes from the vote in the House of Commons in the previous Parliament, established custom and practice and all complex programmes. If he wants a historical precedent, I am told that we bought the oak for HMS Victory 15 years in advance of building it. This is par for the course in major procurement programmes; there is nothing unusual about it at all.

It is quite simply not true to say that large parts of the build programme will have been completed by main gate, nor is it true to say that we will be locked into contracts and that we will have spent so much that we will have to build the boats when we get to main gate. There is nothing in the current programme that will prevent us from making choices in 2016 about what deterrent capability we want or how many boats we might order. It is self-evident from the decisions that we took during the SDSR to refine the replacement deterrent programme, which allowed us to save and defer £3.2 billion over the next 10 years, that our intent is to pursue value for money rigorously and only commit to expenditure as and when it is required. As agreed in the coalition programme for Government, the Liberal Democrats will continue to make the case for alternatives to a like-for-like replacement. Yes, it is true that the concept phase was extended in January 2010, which involved some extra cost, but some costs will be transferred from the assessment phase to the concept phase as a result.

What of the calls for scrutiny of the initial gate business case? Parliament does not routinely review internal Ministry of Defence business cases and I have not yet heard a convincing argument that suggests that this programme should be any different. The initial gate business case is not a grand strategic assessment; that happened in 2006 with the White Paper and the vote in the House of Commons in 2007. The initial gate business case is a technical assessment that presents design choices and programme analysis that is reviewed and agreed by technical, financial and procurement experts in MOD, Treasury and Cabinet Office. What we have committed to do once the initial gate business case has been approved is publish a report setting out the key decisions that we have taken, update Parliament on the latest assessment of cost, and explain the steps that we will be taking in the run-up to the main procurement decision in 2016. I hope that that reassures the hon. Lady.

As this is one of the largest programmes in Government, it will be reviewed closely as we move towards main gate, both in the Ministry of Defence and more widely across Whitehall. As my right hon. Friend the Secretary of State for Defence announced last week, the Government are doing more to tighten up the Ministry of Defence's internal processes. The Secretary of State for Defence will chair the major projects review board, which by definition will include the replacement submarine programme, and will receive a quarterly report on our major projects to ensure that they are on time and within budget. Where projects are falling behind schedule or budget we will take immediate remedial measures.

[Peter Luff]

Those responsible will be brought to account in front of the project board. In addition, we will publish a list every quarter of the major project review board's "projects of concern". That way, Parliament, the public and the market can judge how well we and industry are doing in supporting our armed forces while offering value for money to the taxpayers.

Progress on the decisions we have taken during the SDSR, including those on the nuclear deterrent, will be reviewed by the National Security Council. The Government have also established a major projects authority within the Cabinet Office with a specific remit to oversee our portfolio of major projects and assess the health of programmes in it through a combination of quarterly reporting and more focused reviews. The major projects authority will produce an annual report through which Parliament and the public will be able to review our performance. On top of that scrutiny, the National Audit Office has published a report on the deterrent programme and, while it is not for me to task the NAO, I would not be surprised if it were to look again at this programme in the run-up to main gate, giving the Public Accounts Committee a chance to do the same thing.

It will be for the next Government to make decisions about scrutinising the main gate decision. For now, I am confident that we are striking the right balance between delivering the programme and ensuring that we are open about how we are performing. As this debate shows, if hon. Members wish to scrutinise the process, there are many avenues open to do that in our parliamentary democracy—many have already been explored by the Select Committee and many other options exist. Our democracy is more secure because of the Trident programme and our commitment to its successor.

Question put and agreed to.

1.59 pm

Sitting adjourned.

Westminster Hall

Wednesday 2 March 2011

[MR CLIVE BETTS *in the Chair*]

Motion made, and Question proposed, That the sitting be now adjourned.—*(Miss Chloe Smith.)*

9.30 am

Mr Clive Betts (in the Chair): As the Member who secured the first debate, on women in business, is not present, I am afraid that I have no alternative but to suspend the sitting until 11 am.

Sitting suspended.

St David's Day

11 am

Mr Mark Williams (Ceredigion) (LD): It is a pleasure to have the opportunity to debate the designation of St David's day as a public holiday. It is also a pleasure to serve under your chairmanship, Mr Betts, and to belatedly wish everybody a happy St David's day, or dydd gwyl Dewi hapus.

There have been many mentions of a St David's day public holiday over the years, but this is the first time in my five years in this place that we have had a debate, albeit a short one, devoted wholly to the subject. This year, I hope that the celebrations in Wales will be much bigger. We celebrated St David's day yesterday, but we will also vote tomorrow on whether the Assembly should be granted extended law-making powers, and it would be an added cause for celebration this week if, as I hope, we achieve a yes vote.

Roger Williams (Brecon and Radnorshire) (LD): On that very point, and on the eve of an historic referendum that could give the Welsh Assembly defining legislative powers, does my hon. Friend think that it would be good for the organisation of public holidays in Wales to be within the competence of the Welsh Assembly Government?

Mr Mark Williams: My hon. Friend pre-empts my next line. Even with those powers—assuming we are successful in the referendum—the Welsh Assembly Government would be unable to designate St David's day as a public holiday without the approval of the Westminster Government. A positive response by the Minister today could form part of a memorable Welsh treble, even if the triple crown will, sadly, remain elusive this year.

St David, or Dewi Sant, was renowned for his inspirational qualities as a monk, abbot and bishop. He is renowned for his achievements in spreading Christianity throughout western Britain and among the pagan Celtic tribes that resided there. He was the archbishop of Wales, and his fundamental importance to the establishment of religion in Wales cannot be underestimated. Colleagues in the Chamber will know that and they will understand that those traditions are as important in their constituencies as they are in mine.

St David had particular links with my constituency. He was the grandson of King Ceredig, the founder of Ceredigion. Dewi's mother, Non—herself reputedly related to King Arthur—was born in the village of Llanon in my constituency and, indeed, gives her name to that village, whose name literally means "parish of Non". St David was educated at the Henfynyw monastery near the newer village of Ffos-y-ffin, in the middle of Ceredigion.

St David's day is already an extremely popular occasion for those inside and outside Wales. Yesterday, we had a fantastic service a few paces from this Chamber, and it was good to see the Speaker, the Secretary of State and all the political parties there honouring St David. It was especially good to see the children of the London Welsh school, who, through their dress and their singing for us, showed how vibrant our traditions are. Back home, there were eisteddfodau, a gymanfa ganu and a range of

[Mr Mark Williams]

celebratory dinners. There was the legendary cawl. Even Google paid its tribute to Wales's patron saint. However, we could and should make more of the opportunities with which St David's day presents us.

I should congratulate the hon. Member for Stratford-on-Avon (Nadhim Zahawi), who introduced a ten-minute rule Bill on designating St George's day as a public holiday before Christmas. In the debate on his Bill, he mentioned the case for a St. David's day public day. I am not pushing the case for a St George's day public holiday, although I am sure there is much support for that in England. My key concern is that a St David's day public holiday should be a matter for the Welsh Assembly. It is a matter for Wales, it affects Wales uniquely and the decision should rest with the National Assembly.

Mr David Hanson (Delyn) (Lab): Has the hon. Gentleman given any thought to border constituencies such as mine? Many of my constituents live in Flintshire, but work for the police, the local council and other agencies in Chester. Many people on the English side of the border, where there is a similar crossover, work in my constituency at the Airbus plant and other plants. What consideration has the hon. Gentleman given to that issue? It should be considered by this Parliament and, potentially, the Assembly.

Mr Mark Williams: I understand that point. Although the balance would still be in favour of the National Assembly making the decision, I well understand that transition and flow of people as someone who used to teach in the borders in Powys. Such things mean that people across the border in England are very interested in St David's day and want to participate in the activities that I mentioned.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): I warmly congratulate the hon. Gentleman on securing time for the debate. Following on from what he said, I should say that I have been a Member for nearly 20 years, and a St David's day holiday has been argued for more or less every other year. If the issue remains within Westminster's powers, nothing will happen. However, things are moving, and the Welsh Assembly should make the decision. This is a matter of great pride. Dewi Sant said that we should be careful to address the small things, but we are not necessarily talking about a small thing; indeed, it is a matter of national pride. Indeed, we are holding this meeting across the way from the Supreme Court, where y ddraig goch was flying for the first time yesterday. The hon. Gentleman is right: this is a timely debate, and I wish him well with his efforts.

Mr Mark Williams: I thank the right hon. Gentleman for that. The important message that will, I hope, be heard—certainly in the National Assembly—is that there is wide cross-party support on this issue. As I will explain, all four parties passed a unanimous motion within a year of the National Assembly's creation calling for a public holiday on St David's day.

Guto Bebb (Aberconwy) (Con): I congratulate the hon. Gentleman on securing the debate. I understand his arguments about the Assembly making the decision, but I represent a constituency that is very dependent on tourism, and businesses there have expressed concern that a bank holiday that is not coterminous with those in, for example, the north-west of England, where so many of our tourists come from, would not give us the economic boost that some of those arguing for this proposal claim it would. That is one of my concerns about a decision being made without any reference to decisions in England.

Mr Mark Williams: I thank the hon. Gentleman for that intervention. I will come on to some of the concerns that have been raised. I just cite the Welsh Tourism Alliance—I am sure it has as much of an interest in the hon. Gentleman's constituency as it does in many other constituencies in Wales—which supports this move and sees huge opportunities for tourism in particular.

The Parliamentary Under-Secretary of State for Wales (Mr David Jones): Following on from the point made by my hon. Friend the Member for Aberconwy (Guto Bebb), is the hon. Gentleman arguing that St David's day should be an additional public holiday or that it should replace an existing public holiday?

Mr Mark Williams: The Minister will have the chance to reply to my speech in a minute. However, I would point out that this country compares very favourably with others in the world when it comes to public holidays. We have eight public holidays, which is on a par with Australia and the Netherlands. I appreciate the sensitivities about this issue, and there is added sensitivity this year, of course, because of the welcome news of the royal engagement, which means that there will be a public holiday on the Friday, with another the following Monday. However, my cause in this debate is to argue the case for the National Assembly to make a decision about St David's day on the basis of a full consultation—the precedent was set in Scotland—on the issues and the concerns of business people. The decision should reside with the National Assembly.

There is also considerable public support. BBC Wales commissioned a survey for St David's day in 2006, which found that 87% of respondents supported the idea of a public holiday for St David's day, which is perhaps not a surprise. I acknowledge that concern has been expressed by some parts of the business community, but there is generally a good deal of support for this proposal.

As I said, there was a unanimous vote in the early days of the Assembly in 2000 for St David's day to be a public holiday in Wales, reflecting support for the proposal. Unfortunately, that proposal was not taken forward, and it was explicitly rejected in 2000 by the then Labour Government, who ruled out introducing it unless it was explicitly supported by business. That was disappointing, but, as a result of this debate, I hope that the Government will be willing to discuss the matter with Welsh Ministers in a reasonable manner—something the Minister always does in these debates—and in the spirit of the respect agenda that they rightly hold as their overriding principle in their dealings with the devolved Administrations. I hope that the outcome of the debate will be that the door is open for the Assembly—perhaps the new Assembly after the elections in May—to engage in dialogue with the Westminster Government on this matter and, as the right hon. Member for Dwyfor Meirionnydd (Mr Llwyd) said, advance it for next year.

There are some good precedents and the Scottish Government have made St David's day a public holiday. [HON. MEMBERS: "St. Andrew's day."] I am sorry; they have made St Andrew's Day a public holiday, passing legislation after detailed consultation. However, banks are not required to close and employees are not entitled to the day off, but rather companies can choose whether or not to observe the public holiday, which is either on the day itself or the following Monday if it falls on a weekend. There have recently been calls in the Scottish Parliament for more public bodies and organisations to recognise the holiday, and it seems to have been a popular move but, critically, the debate is happening in Scotland. When the original proposal was made by the MSP Dennis Canavan, his consultation indicated 85% support from the public.

The Scottish Government took a very detailed look at the economic costs and benefits, the level of support from the public and the relationship between holidays and employment and productivity. I am loth as a devolutionist to give advice to the Welsh Assembly Government, but I hope that they would, if given the power to decide on the matter, examine the Scottish model closely, building on the considerable work that has already been done to consider the advantages and disadvantages of a public holiday.

St Patrick's day became a public holiday in Ireland in 1903. It was granted by an Act of Parliament introduced by the Irish MP James O'Mara. St Patrick's day remains perhaps the best example of a country using a public holiday to its advantage. It has built Ireland's profile throughout the world, encouraged many more visitors, and provided a significant boost to the Irish economy. The St Patrick's festival alone was estimated to have contributed €50.5 million to the Irish economy in 2010, €43.7 million of which came from overseas visitors. I do not necessarily claim that a St David's day holiday would lead to similar encouraging revenues as St Patrick's Day, but there are relatively few opportunities for a small country to publicise itself. A national St David's Day and the boost from a public holiday would really help to put Wales on the map, particularly in the tourism sector to which my hon. Friend the Member for Aberconwy (Guto Bebb) alluded in an intervention. It would also be an opportunity for a more prominent celebration for the Welsh diaspora which, although not as vocal as the global Irish community, is well established across the world. Anything that makes people look at their roots and ancestry, and perhaps even plan a visit to their homeland with their wallets, would be encouraging and welcome.

I understand the concerns of some in the business community. I do not mean the one-man bands, but what one of my constituents called the two or three-man and woman bands—the businesses that dominate much of rural Wales. It is vital to take into account the views of the business community, and I would expect the Welsh Assembly Government to consult the business community and work out the best way to advance the proposal. Even with established bank holidays, there is no automatic right to time off, and businesses can, if they wish, include bank holidays within the statutory holiday allowance. The Scottish Government have set up St Andrew's day as a voluntary public holiday, with many businesses choosing to observe it as a holiday. I should like us to consider the Scottish model, but it is a matter for the National Assembly.

I want to stress the positive benefits that a St David's day holiday would bring to Wales and the Welsh economy. The Wales Tourism Alliance supports the idea and has highlighted the benefits: a day when we can show off our culture, heritage and language, among other facets of the country, would be an important shop window for Wales and an encouragement to tourism operatives. As well as the obvious benefits to be gained for tourism from a St David's day public holiday, it would be an opportunity to showcase Welsh products. To take the food sector as an example, when I became an MP I was able to initiate a Welsh cheese week at Westminster. It might sound like a small thing, but we have excellent cheese producers in rural Wales. We ensured that two cheeses from Ceredigion, Gorwydd Caerphilly and Celtic Promise, were served in this place. The initiative attracted some publicity for the excellence of the products. The following year, the cheeses returned and were joined by Golden Valley ale from the constituency of my hon. Friend the Member for Brecon and Radnorshire (Roger Williams). I do not know how much of a direct impact that had, but the promotion of excellent Welsh produce is crucial, and a St David's day public holiday is another opportunity to promote Wales at its best.

For all the concern about the impact of public holidays on the economy—and I respect those concerns—we still have, with eight public holidays, among the fewest of any country in the world. We are level with Australia and the Netherlands and have half the number in Japan and India. In the past, some have suggested that there is a link between a high number of public holidays and a high unemployment rate. The Scottish Parliament information centre did research and looked into those claims during the consultation on St Andrew's day, and found no obvious correlation between unemployment and the number of public holidays that a country has within the EU.

I hope that the Minister can provide a positive response and that he will argue that the decision should rest with the National Assembly, which would be right. I hope at the very least he will adopt an open-door policy for discussion of the matter with colleagues in the National Assembly, so that we can finally move forward with the decision on whether St David's Day should be a public holiday in Wales. I will certainly support the campaign.

I shall finish with Dewi Sant's last words to his followers in a sermon given on the Sunday before he died. Rhygyfarch translates them as

> "Be joyful, and keep your faith and your creed."

As the right hon. Member for Dwyfor Meirionnydd, who is familiar with the quotation, as many people are, said, the passage continues:

> "Do the little things that you have seen me do and heard about. I will walk the path that our fathers have trod before us."

"Do the little things" or "Gwnewch y pethau bychain" has become a well-known phrase in Welsh, and I hope that the Minister can give us an indication that he plans to do what I consider is a little thing: offering the Welsh Assembly the opportunity to designate St David's Day as a public holiday. It would be a little thing but would have huge significance back home and bring huge opportunities for the future of Wales.

11.17 am

The Parliamentary Under-Secretary of State for Wales (Mr David Jones): It is a pleasure to serve under your chairmanship, Mr Betts. I congratulate my hon. Friend the Member for Ceredigion (Mr Williams) on securing the debate, and on very nearly securing it on St David's day itself, missing by only 24 hours.

My hon. Friend is of course entirely right: St David's day is hugely important to the people of Wales. He was also right to stress the importance of children in the event, because St David's day would be nothing without them. All of us who were brought up in Wales will know what a magical day it is for schoolchildren and I am sure we all participated in school eisteddfodau. I remember learning, as a small boy, "Y Cudyll Coch" by I. D. Hooson, and reciting it—to no great success: nevertheless, recite it I did. Right across Wales St David's day is recognised, and as my hon. Friend said it is not only the focus of school eisteddfods but the occasion for celebratory dinners. Indeed, it is already a day on which there is much celebration, when the Welsh people celebrate their unique culture, language and way of life.

Recognising as I do the importance of St David's day, it is somewhat sad for me to have to strike the cautionary tone that I think my hon. Friend expected when he made his impassioned speech. My caution is of course that a public holiday on St David's day, attractive as it would no doubt be, nevertheless would not be without any cost at all. In fact, there would be a considerable economic cost. In the current straitened economic climate, responsible Governments need to bear that in mind.

Guto Bebb: The economic point is important, but there would also be a cost for the social impact of St David's day in schools and so on. Not every child in Wales gets the opportunity to celebrate St David's day at home, whereas almost every child invariably gets the opportunity to celebrate our patron saint in schools and at concerts. Parents take great pride in preparing their children. Between us, my hon. Friend the Member for Ceredigion (Mr Williams) and I have nine children, and I am sure that his four children and my five all celebrated St David's day at school yesterday. I believe that there would be a cost if that was lost to communities in Wales.

Mr David Jones: My hon. Friend makes an important point. As I said earlier, children and St David's day go hand in hand. School eisteddfods are tremendously important to the culture of Wales, and the St David's day eisteddfods are a well-established tradition that I would not wish to see disturbed.

Mr Mark Williams: On the back of the intervention of my hon. Friend the Member for Aberconwy, my four children will be taking part in our school eisteddfod, in ysgol Craig yr Wylfa, but that will be on Friday morning. It is not necessary to hold school eisteddfods on the day itself. Such school events are critical to the future of St David's day, and they will happen regardless of whether it is a public holiday.

Mr David Jones: My hon. Friend makes a fair point. As I said earlier, St David's day itself is a magical day in Wales, and the eisteddfods held on St David's day are equally magical. I, for one, would be rather sad to see the magic of the day lost. However, as my hon. Friend said, it is a matter upon which Parliament will shortly be able to vote, as my hon. Friend the Member for Stratford-on-Avon (Nadhim Zahawi) is promoting a private Member's Bill that would create bank holidays on St David's day and St George's day. That Bill received its First Reading on 15 December and will have its Second Reading on 13 May. I have no doubt that my hon. Friend the Member for Ceredigion will participate in that debate. The Government will make their position on that Bill known in due course.

I return to more hard-headed matters and the unfortunate subject of cost. Bank holidays have an economic impact. A bank holiday across the country would cost in the region of £3 billion in lost wages, on the basis that everyone would be paid for an extra day's work. Pro rata, the cost in Wales would be £138 million. Of course, we cannot take Wales in isolation because, as the right hon. Member for Delyn (Mr Hanson) pointed out, it will have an impact across the border. That is another factor that will have to be taken into consideration. Frankly, the right hon. Gentleman was entirely right to say that having a bank holiday on St David's day should be a matter for the House.

Mr Hanson: The biggest employer in my area is Airbus; it employs about 7,000 people, and I expect that half of them live in England. That would create a dilemma. It could be overcome, but it would still need to be considered—and not only by the Welsh Assembly.

Mr David Jones: The right hon. Gentleman is entirely right. For that reason if for no other, it is a matter that properly resides with Parliament.

The hon. Member for Ceredigion made mention of tourism. The Government have received a number of calls from the tourism industry to consider spreading the United Kingdom's bank holidays across the year. Evidence shows that when the Easter holiday falls close to the May day bank holiday, as it does this year, it does not promote the even spread of tourism across the calendar. This year is somewhat unusual because we also have a special bank holiday for the royal wedding. The Government have given those representations careful consideration, and I am sure that the House will be interested to hear that the Department for Culture, Media and Sport is working on a new UK-wide tourism strategy, which is likely to include a proposal to consult on moving the May day bank holiday to another point in the year.

I asked the hon. Gentleman whether it was his vision to have an additional bank holiday or whether an existing bank holiday should be moved. If an existing bank holiday was to be moved, we suggest that it would be appropriate to move the early May bank holiday. That would not create a new bank holiday, but there will be consultation on whether it should be moved—for example, to St David's day. The hon. Gentleman mentioned that there had been representations from groups within the Welsh Assembly that St David's day should be a bank holiday. That would be an excellent opportunity for those groups and others such as the Welsh Tourism Alliance to make representations to the Department for Culture, Media and Sport.

Roger Williams: The Minister puts great emphasis on the economic considerations that need to be taken into account. In weighing those considerations, would it not be good also to weigh the spiritual consideration that it would be a good time for the nation to contemplate the life of our great saint? That might lead to greater individual benefits in the longer term rather than economic ones in the short term.

Mr David Jones: My hon. Friend makes an interesting argument, and he can put it forward during the DCMS consultation. I am sure that the Department will listen carefully to his spiritual arguments. The Government are not closing their mind to a holiday on St David's day.

Mr Mark Williams: I welcome the tone of what the Minister says. Although many people will be baffled that the Welsh Assembly is not in a position to make the decision, the encouraging news that the consultation is to take place, and the expectation that the Welsh Assembly Government will participate in it, is most welcome.

Mr David Jones: I am glad that my hon. Friend welcomes my remarks. Perhaps we have achieved something this morning.

My hon. Friend spoke of the life of St David. It is probably fair for me to conclude by pointing out that St David was noted for his ascetic life. It is said that he was sustained by a simple diet of bread and herbs and drank nothing but water—hence his being called Dewi Ddyfrwr, or David the water drinker. He is also reputed to have been in the habit of standing neck-deep in cold water, reciting from the scriptures. It is most unlikely that St David ever took a day's holiday.

11.27 am

Sitting suspended.

Child Slavery

[Mr Jim Hood *in the Chair*]

2.30 pm

David Simpson (Upper Bann) (DUP): I welcome you to the Chair, Mr Hood. It is a privilege to serve under your chairmanship today. I rise to speak on this subject in the reassuring knowledge that on the general thrust of this debate, it is more than likely for the most part that party political differences will be set to one side. I say that not out of any sense of presumption but from my own experiences as a Member of this House and from the united opposition to the obscenity that is child slavery. We may differ in our responses to particular examples, but right hon. and hon. Members from all parts of the House have a shared abhorrence of the ongoing present-day shame and nightmare of child slavery.

Recently, Save the Children UK reaffirmed the figures of the International Labour Organisation, which revealed that across the globe, something like 218 million children between the ages of five and 17 are working as child labourers or are in child slavery. 126 million of those children are involved in hazardous work. About 8.4 million are trapped in the very worst forms of illegal, degrading and dangerous work. That equates to the horrifying statistic that in the least developed countries, 30% of children are engaged in child labour in some shape or form. In sub-Saharan Africa, there are some 49 million children involved in this activity.

It is further estimated that some 1.2 million children, both boys and girls, are trafficked every year and exploited as workers in agriculture, mining, factories, armed conflict and the sex industry. Those children are modern-day slaves, and the numbers are greater than when the old historical slave trade was at its height. Their sufferings are no less wrong, and the injustice inflicted upon them is no less real than those that were endured by slaves in a bygone era.

I want to consider three main issues: forced marriage, which is a form of slavery for children as young as 10 and 12; the trafficking of children for sexual exploitation; and forced labour and the economic exploitation of children. When we consider the issue of forced marriages, it is worth remarking that the previous Government tightened up the situation, which is to be welcomed. However, the then shadow Minister, Baroness Warsi, had this to say in relation to the new laws:

> "The onus to go for a civil protection order is actually on the victim of the forced marriage or somebody close to them. I know from speaking to victims of forced marriages that, when they're in those circumstances, the last thing on their mind or the last thing that they're able to do, is go to court and seek an order."

Hon. Members will no doubt be familiar with the fact that between April 2009 and March 2010, the British high commission's assistance unit in Islamabad dealt with 121 cases of forced marriages, and there were 124 cases previous to that. In August 2008, 22 new cases were taken on by the unit—equivalent to one every working day of that month. In reference to those figures, Baroness Warsi said:

> "Forced marriage ruins lives. It can lead to rape, abuse, and unwanted pregnancies. This is a serious problem, and these figures are just the tip of the iceberg. Forced marriages have no

[David Simpson]

> place in Britain today. The Government's current approach is clearly failing vulnerable people who need our help. It is now time for the Government to consider making forced marriage a criminal offence."

I am sure that many hon. Members will also be aware of the story of 14-year-old Jasvinder Sanghera who was shown a photograph of a random man and told that she was going to marry him. She ran away from home. When she rang to say that she was safe, she was given an ultimatum: either marry the man in the photograph or, because she had "shamed" the family, she would be dead in their eyes.

Later, she heard that one of her sisters was brought to such depths of pain and despair by her own forced marriage that she set fire to herself and died in hospital from 80% burns. I have no doubt that hon. Members will know of the letter that the then leader of the Opposition and now Prime Minister sent Jasvinder in which he said:

> "As a country, I believe that we are half-asleep to these issues."

I am sure that many hon. Members will share my concern about the recent report in *The Times* on 2 February that stated that of the 254 protection orders issued, only five families have been brought back to court for breaching the order and there have been no convictions.

In the same report, Nazir Afzal of the Crown Prosecution Service said:

> "You are easily looking at 10,000 forced marriages or threats a year. I keep asking myself how many unmarked graves are there where people are not even reporting that their child is missing."

Mr Gregory Campbell (East Londonderry) (DUP): I commend my hon. Friend on the timeliness and importance of his debate. He is touching on the sheer volume of the problem and the lack of prosecutions. Does he agree with me that while we all share the outrage and anger at the prevalence of this activity, what we need to see is more activity in trying to bring those responsible, particularly those engaged in trafficking, before the courts to be convicted?

David Simpson: I agree with my hon. Friend. He has hit the nail right on the head; we need convictions. People involved in this—we may not be able to do this within the law—should be locked up and the key thrown away. I am sure that all Members will agree that forced marriages and slavery are horrific crimes.

The Times also quoted a police officer who called for this crime to be made an aggravated offence, which would hand the courts power to pass enhanced sentences. I have already mentioned the comments made by Baroness Warsi in relation to the whole matter of forced marriage and the new laws introduced by the previous Labour Government. At that time, she also made a commitment that the Conservative party would make forced marriage illegal. Given the current situation, I would suggest that the time has come to change forced marriage from a civil offence to a criminal offence.

When he was in opposition, the Prime Minister promised that that was a step that he would take. Baroness Warsi also made that commitment on behalf of what is now the senior partner in the coalition Government. I encourage the coalition Government to go that extra mile now and stop this form of child slavery. The trafficking of children for sexual exploitation is shameful. It is estimated that about 100,000 to 500,000 people are trafficked into Europe on an annual basis.

Ian Paisley (North Antrim) (DUP): I congratulate my hon. Friend on securing this debate. I also remind him that I have to attend a Committee this afternoon, so if I slip away shortly it is not because I am not interested in this debate.

When my hon. Friend looks around the devolved jurisdictions that now exist in the United Kingdom, does he think that they are doing anything on top of what our national Government are doing to address the slave trade? The slave trade is not a 21st century phenomenon. It has existed for many centuries, and sometimes expertise and other help is needed to address it.

David Simpson: I thank my hon. Friend for that intervention, and he is right. During the debate that we had some time ago in the House on slavery, the issue of the devolved jurisdictions was raised. I think that slavery has been discussed in the regional Parliaments and I know that the Northern Ireland Assembly unanimously agreed that something should be done about people trafficking. However, although we say that something should be done about it, we need to see tangible evidence that something is being done. Words are fine—they are nice on paper—but we need to see evidence that something is being done for these children.

Mr Nigel Dodds (Belfast North) (DUP): I add my commendations on the fact that my hon. Friend has brought this important subject to Westminster Hall. As for what can be done about trafficking, is it not the case that something could be done in Europe through the European directive on trafficking? Does he agree that there are concerns about why the United Kingdom has not gone further in relation to that particular issue and sits outside that directive?

David Simpson: I agree with my right hon. Friend. He is 100% right. Britain should play a stronger role on this issue, and perhaps later in my speech I will address that point. It is important that Britain take the lead on this issue, because slavery is such an horrific crime.

The US Department of State has estimated that up to 800,000 people are trafficked across borders worldwide. Most of them are women and children who are trafficked for sexual purposes. That figure does not include people trafficked within individual countries.

Concerns about the trafficking of children and young people for sexual purposes in the United Kingdom have been raised for some time. I commend the work of ECPAT, which is a very good organisation. Its full name is "End Child Prostitution Child Pornography and the Trafficking of Children for Sexual Purposes". In its October 2010 report, "Child trafficking in the UK: a snapshot", it made 10 recommendations. They range from establishing a Government rapporteur on trafficking to the issue of departmental responsibility for safeguarding the child victims of trafficking. They also include very practical recommendations such as the appointment of

> "a designated lead manager on child trafficking…in every local authority",

the provision of

> "safe accommodation for all child victims of trafficking",

and the creation of

> "a system of guardianship for child victims of trafficking. Such a system would mean that every child victim of trafficking would have someone with parental responsibility".

I am sure that the Minister is well aware of those recommendations and I ask him to give us an update on what the Government are doing with regard to them.

Dr William McCrea (South Antrim) (DUP): I congratulate my hon. Friend on securing this timely debate. He has already given statistics about the exploitation of children, including statistics about forced marriage and sexual exploitation. I am sure that he will agree that, although the statistics themselves are horrifying, it must be remembered that behind each of them there is a horrifying experience. It has been reported that children as young as five are being bought and sold on the streets within the United Kingdom for £16,000.

David Simpson: That is correct.

Dr McCrea: Does my hon. Friend agree that we need to see the current situation change radically and that that can happen only if the authorities pursue criminal convictions?

David Simpson: I thank my hon. Friend for that intervention and I agree 100% with him. We need to have convictions. There must be a willingness from the Government's point of view to do something about this issue. If there is a will within the Government to do something about it, we will see results and then convictions will come afterwards. That is why it is important that we listen when the Minister responds to the debate. Hopefully, some glimmer of light and hope will emerge.

Investigations by children's charities have identified sexual trafficking not only through the United Kingdom to other destinations but to the United Kingdom itself, with children and young people ending up as sex workers in brothels in various parts of the country. That seems to be a very strong statement when we are talking about the United Kingdom—this United Kingdom, the modern United Kingdom, which emphasises its work skills, its technology and everything that goes with that. We are out there to market ourselves to the wider world and we have a situation today where children as young as five or six are being sold on the streets of England for £16,000. That is the evidence from the research papers that I have been given—I did not make it up. It is abhorrent that that should happen in any country.

UNICEF is a reputable organisation. It has said that about 250 children were known to be trafficked into the United Kingdom within a five-year period, but it added that the real figure is likely to be far higher. These children are brought into the United Kingdom as slaves for the sex industry. In 2009, the Child Exploitation and Online Protection Centre published a report, "Strategic Threat Assessment Child Trafficking in the UK 2010". That report identified 325 children in the United Kingdom as known or suspected victims of child trafficking in the year from March 2007 to February 2008. Trafficked children in the United Kingdom have been identified as coming from a widening range of sources.

In 2009, the then Government set up a national referral mechanism for the identification of children coming into the United Kingdom through the trafficking process. Between 1 April 2009 and 30 June 2009, 40 children were referred through that system, including two children under the age of 10. That is horrific.

Some children who have been trafficked may have been physically abducted, but many children are trafficked with the knowledge of family members, who believe that their children are being offered the chance of a better life within the United Kingdom or elsewhere and do not know that they may be destined for sexual exploitation. The vast majority of those trafficked for sexual purposes are girls, but trafficking of boys is not unusual.

UNICEF has also estimated that that figure of 40 children—those who were identified through the national referral mechanism—is likely to be higher. UNICEF has recently estimated that at any one time there are about 5,000 child sex workers—not five, 50 or 500—in this so-called modern United Kingdom. Some 75% of them are females, and the remainder are young boys.

The internal situation in other parts of the globe is worse, and even more distressing. It has been estimated that 30% of sex workers in India are children— between 270,000 and 400,000 child prostitutes. In Brazil, up to 500,000 boys and girls are commercially sexually exploited, and on the borders between Brazil, Paraguay and Argentina, 3,500 children are confined in brothels and clubs as slaves. We are talking about children who have not reached sexual maturity, and have no idea or understanding of what is happening to them. That is absolutely disgusting. Police in South Africa estimate that 28,000 children are coerced into the industry every year, and that in Cape Town alone some 25% of workers in the sex industry are very young children. In south and east Asia, one third of sex workers are children. I am sure that hon. Members will agree that those figures are shameful and beggar belief. Yet they are more than statistics: every figure represents the misery and loss that is routinely inflicted on a young life daily. Young lives are destroyed, and the very notion of civilisation or society debased.

Dr McCrea: On the sexual exploitation of children, does my hon. Friend agree that many of these children have been abducted from their families? No one can understand the anguish and pain that that causes a family. I say that as a parent who, many years ago, nearly lost one of his children, who was three or four at the time, in a hotel on vacation. My child was being taken away from us by a lady, and could have ended up in the industry. No one can understand the horror and pain that that can cause a family.

David Simpson: I absolutely agree, and I have mentioned the abhorrence, pain and anguish. I am sure that all hon. Members will have seen the recent news about a woman from New York who was abducted when she was very young and found out about it when she was an adult. There was a reunion, but it was miraculous that that happened, because so many times it does not, and people are left wondering how their children have turned out. It would be very difficult to live with the fact that a family member had been taken and used in such a way.

When it comes to the economic exploitation of children, including child labour, very often the United Kingdom is further downstream from the event, but the situation is no less real and no less dreadful for those caught up in the middle. Commodities—finished products that we

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buy—can have been produced, in part, by the efforts of forced child labour or slavery. In more than 50 African, Asian and South American countries, 1 million children are put into mines and quarries. That is a fact. About 40,000 children work in mining in the Congo. In west Africa it has been estimated that 200,000 children work in small-scale gold and mineral mines and quarries, and almost 18,000 children work in gold, silver and copper mines in the Philippines. Mining shifts worked by children can last up to 24 hours. Children work unprotected in mineral extraction, crushing ore using toxins such as mercury, at the risk of contamination. Children break and sort out rocks, water supplies are often contaminated, and there is the risk of underground explosions.

On top of those figures, we can add the number of children exploited as a result of bonded labour, in which a child is forced into slavery to pay off their family's debt. It has been estimated that in India alone some 15 million children, most of them from low-caste families that have got into difficulties, could be working to pay off someone else's debt. Many children across the globe, including in the United Kingdom, are beaten frequently, and passed from one owner to another as little more than a possession, or a dog. Save the Children has estimated that in Nepal there are approximately 200,000 bonded labourers, many of them children. In one province of Pakistan alone, it is estimated that there are almost 7 million bonded labourers, including children, and that around 250,000 children work in Pakistani brick kilns, and live there. Almost 70% of all child labour is in agriculture, with more than 130 million children involved in agricultural work each day.

Last year, the United States Department of Labour drew up a list of products produced by child or forced labour—slavery. The list goes from cocoa and cotton to rubber and coal; from gold and diamonds to emeralds and silver; from carpets and clothing to leather and silk; from garlic and grapes to bananas and rice; from salt and sugar to tobacco and tea; and from footballs and fireworks to fashion and furniture. All those products are made around the globe through the exploitation of children and the use of child slavery.

When it comes to both the sexual exploitation of children internationally and the kind of child labour that I have just mentioned, there are real issues for the United Kingdom Government. I am sure that all hon. Members will be able to identify numerous areas in which these issues cut across a number of Departments, but I draw specific attention to the Department for International Development. I emphasise that we are grateful for the assistance given by the UK Government to other countries, and that we are even more grateful to the many millions of people across the United Kingdom who donate money to special causes and needs, but surely pressure needs to be applied and greater emphasis placed on using our influence to end these practices. I think that all hon. Members will agree that the facts of life for millions of children across the globe, right now as we participate in this debate, are shocking and shameful.

As I said at the beginning of my contribution, I am certain that whatever minor differences hon. Members might have about individual incidents and the particular responses required, we all share a conviction that child slavery is wrong, unjust and unacceptable in this modern world. I have no doubt that that is the case. That fact draws out before each of us a question that might at first glance seem unusual, even unnecessary. Whatever our political background and personal experiences, why do we share an opposition to child slavery and a conviction that this evil should end? It makes no sense in evolutionary terms. Are we not told that evolution is about survival of the fittest and competition within species? So what if the poor, the weak and the helpless are exploited by the strong and the ruthless? But buried in the depths of every man and woman is a conviction that there is something better.

Every springtime—we are coming into spring now—nature stretches out and reaches up to bring forth new life and vigour, leaving behind the deadness of winter. Every year it is doomed to fall back in winter, but every spring it stirs and rises once more. Likewise, every human being stretches out and reaches up for something better and higher. It is inborn and embedded within us to be like that. What do we stretch out towards and reach up to lay hold of? In my opinion, it is the God who reaches down to us and who himself came down to us. It is the original created image in us—yes, it is tainted, marred and clouded, but it is still that part of man, made originally for God and in the likeness of God—that stretches out and reaches up for something better and higher. That is what tells every man that the wicked enslavement of children is wrong. Just as one came down to earth to open the soul's prison, break its fetters, snap its chains and set it free, so we feel the urge and impulse to set at liberty children who are enslaved.

I do not intend to offend any right hon. or hon. Member by saying that I do not believe that there are many Wilberforces around today. However, I believe that in the breast of every hon. Member from every political party already beats something to which Wilberforce gave voice. Wilberforce said on one occasion:

> "If to be feelingly alive to the sufferings of my fellow creatures is to be a fanatic, I am one of the most incurable fanatics ever permitted to be at large."

It is my wish by this debate to make such fanatics of us all.

3.4 pm

Annette Brooke (Mid Dorset and North Poole) (LD): It is a privilege to serve under your chairmanship, Mr Hood. I congratulate the hon. Member for Upper Bann (David Simpson) on a moving speech—perhaps the most moving that I have ever heard in this Chamber. I think we all share an abhorrence of child slavery.

I, too, started by reading the Save the Children report "The Small Hands of Slavery"—it is an emotive title—and came across the disturbing statistics involving such large numbers. That was back in 2007. What progress are we making? As the hon. Gentleman said, the report states that 8.4 million children are trapped in the worst forms of illegal, degrading and dangerous work. It also identified the eight most prevalent forms of child slavery: child trafficking, commercial sexual exploitation, bonded child labour, forced work in mines, forced agricultural labour, child soldiers and combatants, forced child marriage and domestic slavery.

The hon. Gentleman provided many tragic examples from around the globe. It is, of course, a tragedy that there is such a variety. Our children are our most precious asset, and it brings tears to the eyes to think of children suffering in such ways. More recently, Save the Children published the report "Children on the Move". We must remember that in high-profile conflict situations, such as in the middle east, children are particularly vulnerable to certain practices.

There is so much to be done. I agree with the hon. Gentleman that we must consider the problem from the UK's perspective, looking outwards as well as inwards and across Departments. Clearly, in order to tackle it, we need national, international and strong local action. We need to consider poverty reduction. This Government's commitment to increasing the proportion of GDP spent on aid must be welcome, as it is well targeted to reduce poverty. We need education, legislation—legislation must be appropriate, but it is also important that it is put into practice—and resources for prevention and rehabilitation. Those principles can easily be applied to tackling problems in the UK. In my brief contribution, I will concentrate on trafficking, but I recognise fully the scale of the issue.

Research by the Child Exploitation and Online Protection Centre discovered that at least 287 children in this country were identified as potential victims of trafficking between March 2009 and February 2010. More than one third were brought to Britain for the sex trade. Amazingly, 18% were made to cultivate cannabis. I must admit that I have learned a great deal from reading ECPAT UK's representations about the use of child labour in cannabis cultivation in this country. It makes us realise that we can tackle such issues. It must be possible to track them down and take suitable action.

Dr McCrea: Has the hon. Lady seen the CEOP study on strategic threat assessment? It states:

> "There are only a handful of UK police forces which have units designated and trained in running investigations into trafficking."

Does she believe that more should be done initially to change that?

Annette Brooke: I certainly believe that more must be done on a range of issues. I will address the hon. Gentleman's point shortly.

Sadly, many of the victims identified go missing again and are obviously re-trafficked. We must bear that in mind. We need, of course, to think about what is happening in the countries sending these people. We need international co-operation.

It is interesting that, under the Labour Government, we finally signed up to the Council of Europe convention on action against trafficking in human beings, which came into force in April 2009. There had been questions over a long period from both sides of the House about when we were going to ratify the convention, but we did do so.

I hope that we will have some better news about the EU directive on human trafficking, which the European Parliament approved in 2010. So far, the Government have decided not to opt into it, which I find really difficult to understand. The UK and Denmark are the only EU states not to have opted in, even though we are told that everything we do complies. As I understand it, the directive improves existing EU legislation and provides better protection for trafficking victims, more rigorous protection measures and tougher penalties for traffickers. Signing up to the directive would make a clear statement about our Government's support for trafficked women and Ministers' willingness to provide protection and secure convictions.

An organisation called Care claims that this country is not really doing everything it could and that it is not doing everything in the directive. It says that forced begging is also trafficking. It says that we cannot prosecute crimes outside Britain. It says that Britain fails to provide universal access to safe accommodation and medical treatment for victims, fails to investigate cases after a victim withdraws a statement and does not always offer proper protection of victims in criminal proceedings. Those are all things that I believe we should be able to do.

As I understand it, the directive has a specific focus on child victims, so it is very relevant. It provides them with greater care and protection. It also directly calls for the UK to introduce a system of guardianship for trafficked children. I wonder whether that is the problem preventing us from signing up to the directive. Again, I want to be fair to both Governments. I have long argued for a system of guardianship for children who are unaccompanied asylum seekers, and I have tabled many amendments in Committees dealing with Bills on children, always to be defeated. We should not see this as a political issue, because we all need to work together.

Mr Dodds: On the EU trafficking directive, I agree entirely with the hon. Lady. However, given that we should all be working together and erring on the side of the caution in the protection of children and vulnerable people, does she understand the irony that even Eurosceptics—I include myself among them—have no problem with the Government opting in on this issue, although, of course, they opt in on a whole lot of other issues with which we do have problems? On this issue, however, there is a bit of agreement, so why not err on the side of caution, even if the Government are saying that they are doing these things already?

Annette Brooke: I thank the right hon. Gentleman for his contribution. He makes a valid point. It is a strength of the EU that we can have co-operation over a large number of countries when crimes are being committed that are clearly not retained within the boundaries of an individual nation.

Justin Tomlinson (North Swindon) (Con): I congratulate my hon. Friend on her excellent speech. Although the Government claim we are meeting all the requirements, what message does it send to those looking at countries to target if we do not sign up?

Annette Brooke: I thank the hon. Gentleman for that question, but I think he has answered himself. What he says is very true. The main thing is that we must be seen to be fighting this problem on all fronts, but there is a feeling that we are not.

I would be really interested to know whether guardianship is the issue that is holding us back from signing the directive. I strongly believe in the advantages of someone taking parental responsibility, and that has been alluded to. In a recent answer to a parliamentary question, the Under-Secretary of State for Education, the hon. Member for East Worthing and Shoreham (Tim Loughton), said

[Annette Brooke]

that responsibility for child trafficking victims lies with local authorities, but that can co-exist with parental responsibility. When it comes to children in care, for example, we are aware that we have not done enough about the concept of corporate responsibility. We are talking here about children who have been through so much, and it is not a big ask to ensure that there will be not only some corporate body, but an individual to whom children can relate and from whom they can get support.

At present, a number of organisations are being closed. That is a concern in itself, but I hope that the Minister can reassure us, perhaps by setting out an alternative way of doing things. I am by no means arguing that we must carry on doing things in exactly the same way as we have in the past, and I would very much welcome a brand new approach, but I just have to raise concerns. The Gangmasters Licensing Authority faces closure. We no longer have the Metropolitan police's human trafficking unit and Operation Golf, which were particularly focused on child trafficking. The UK Human Trafficking Centre has been absorbed into another organisation. We are not clear whether all the POPPY project's funding will be protected. CEOP itself will be absorbed into another organisation. That need not all be negative news—perhaps the news about the POPPY project is—if the Minister can assure us that we will do things better. In addition to those cuts, the voluntary sector, like all of us, is facing cuts, but the problem we are talking about needs resources as a matter of priority. The hon. Member for Upper Bann has shown us that it should be a high priority.

The key issues for me include preventing these problems in the first place. That has to involve working on a wider international scale. Another key issue is identification, which this country is not very good at. We do not really know how many sex workers or child victims there are in this country; we come up with numbers, but they are probably just the tip of iceberg. How can we have the right priorities and the right policies unless we have the knowledge? I hope that identification and raising awareness will be given priority in the national strategy on trafficking, which is due to be announced.

Local strategies are important, and I would like to be reassured about how they will be worked through. Our local safeguarding children boards have a lot to do on identification, raising awareness and making sure that the right services are developed and supplied locally. We all need to be aware of the dreadful issues around us.

Whether a person is under 18 is still a big issue. Representations have long been made to me to the effect that the immigration age assessment dispute process is often used to divert young people into the immigration system, rather than to protect them. Obviously, it is very difficult to determine the age of a child. We must have effective intervention, and I am sure that we can do so much more on that. We must have safe and appropriate accommodation, so that once children are rescued, they stay rescued.

We need better evidence. We need all agencies to share information and to work together. We need better prosecution procedures. We need to support victims so that they give evidence. I am a little concerned about the period of reflection allowed by the UK Border Agency. The time for deciding whether a person is trafficked is to be reduced from 45 to 30 days. In Italy, it is six months, which I have always felt gives people—particularly young women—time to build up their strength and the courage to bear witness against the perpetrators. It is very difficult for someone who has just been pulled away from a horrific situation to give evidence at that time.

We have been around the globe in the debate and finally I want to stop off in Dorset. I commend the work of Poole Soroptimists, who have done a great deal to highlight trafficking, through supporting the purple teardrop campaign. I went to a very well attended meeting in Dorset organised by the Soroptimists, and people there were deeply shocked. In Dorset we do not necessarily think that we have trafficked children in our midst; but we do—and we do all over the country. That is why awareness-raising is so important for me.

It is also important that there should be specialist police units. As with most areas, cutbacks in the number of police in Dorset are proposed. It has been suggested to me, although I have not had it confirmed, that one thing that might disappear is specialist police work on trafficking. That would be very sad, particularly in the light of my final point: we are all looking forward to the Olympic games, but we must fear what might happen in our country at that time. The evidence is that a major international sporting event causes an increase in sex exploitation, forced child begging and child labour. We are blessed to have the water sports in Dorset, but we are concerned that there should be adequate policing. Because we are a safe part of the country we naturally do not have the highest level of police funding, but we shall need adequate policing in the light of the issues associated with the Olympic games.

Like the hon. Member for Upper Bann I can say only that the problem is so serious that we would be very remiss as politicians if we were not to commit to work together and do our very best for children in such incredibly awful situations as he described.

3.22 pm

Jim Shannon (Strangford) (DUP): I commend my hon. Friend the Member for Upper Bann (David Simpson) for bringing the matter to Westminster Hall for debate. Many of us are aware of the issue, both within and outside our constituencies. I prepared a speech about a month ago, when my hon. Friend told me about the debate, but it is still relevant today, because things have not changed since then. They are still the same. The research about the amount of slavery in the world shocked me. I was sickened to my stomach as I read some of the stories. If hon. Members have not read the background information provided by the House of Commons Library they need to do so. When they do, they will be as shocked as I was about what is going on throughout the world.

An estimated 27 million people live in bondage today, but we know little about their plight. It is easy to watch a red nose day special and regard those precious faces in Africa and other parts of the world with a sense of pity, sympathy and perhaps compassion, but it is harder to face the fact that the problem is not simply an African one, but a global one. It is shameful to say that we are not immune in the UK. The hon. Members who have spoken so far have underlined that, and so will those who follow. I read a report in *The Independent*—I do not buy it, by the way—that stated that more than 5,000 children are being forced to work as sex slaves in the UK. I find that almost impossible to comprehend in a modern, understanding and compassionate society. The figure includes thousands trafficked to this country by criminal gangs. Indeed, a study of global slavery exposed Britain as a major transit point for the movement of child slaves around the world. The United Kingdom, of which we are all members, with UK passports, is an integral part of child slavery, the sex trade and the exploitation of children that goes on.

The report paints a shocking picture of an international web of gangmasters exploiting children as young as five, as well as vulnerable women. Many are threatened with violence, then sold into the sex trade and forced to become domestic servants. The issue is not all about physical abuse or sexual exploitation, as people are also exploited as domestic servants. Some would say that they are paid to work, and in many cases they are, but they do not always retain their full wages, which are kept as "savings". They are told that if they go to the police they will be imprisoned, and they live in fear. The human trafficking trade now generates an estimated £5 billion a year worldwide, which makes it the second biggest international criminal industry after the drugs trade. I ask the coalition Government what priority they give to tackling that form of exploitation and child slavery.

Children's charities in Britain say that there has been a dramatic rise in the number of referrals of trafficked children to sexual exploitation services. An investigation by *The Independent on Sunday* has found that the gangs, especially those from Romania and Lithuania, as well as Africa, increasingly target Britain, because markets in other European countries, such as Spain and Italy, are saturated. Things have moved slightly, and the impact is different.

We need tighter rules, which my right hon. Friend the Member for Belfast North (Mr Dodds) clearly showed in relation to the EU directive. I look for some hope in that regard from the Minister. Will we sign up to the directive? I think that we should, and sooner rather than later.

Abolitionists fighting sex traffic in both south-east Asia and Latin America report that parents commonly sell their kids so that they can make an improvement to their home or purchase a vehicle or other consumer item. Those stories align with a report in *The New York Times* that parents in Albania sold their children to traffickers so that they could buy a colour TV. Can you take that in, Mr Hood—that anyone would do that with their child for the price of a colour TV? My goodness me; that could be about £150. Is that the price of a child today? Going by the background material available, and press stories, some 70,000 children are kidnapped in China every year, of whom only 6,000 are returned to their parents. Every year 64,000 children in China go missing and disappear into child exploitation across the world.

I received a breakdown of facts from the International Labour Organisation about child labour, which more often than not translates as children being forced to work for little or no recompense, to all intents and purposes as slaves. There are 246 million children who are child labourers and 73 million working children less than 10 years old. No country is immune or outside the problem, which involves 2.5 million working children in the developed economies, and another 2.5 million in transition economies. Every year, 22,000 children die in work-related accidents. The largest number of working children aged 14 and under—127 million—are in the Asia-Pacific region. Sub-Saharan Africa has the largest proportion of working children: nearly one third of children aged 14 and under—I think it is about 48 million children.

Most children work in the informal sector, without legal or regulatory protection, and 8.4 million children are trapped in slavery, trafficking, debt bondage, prostitution, pornography and other illicit activities. Of those, 1.2 million have been trafficked. One out of six children in the world today is involved in child labour, doing work that is damaging to his or her mental condition and physical and emotional development.

The ILO study has shown that the economic benefits of eliminating child labour will be nearly seven times greater than the costs. That does not include the moral benefits, and the most basic fact—that children can then have some semblance of childhood. Nearly three quarters of working children are engaged in what the world recognises as the worst forms of child labour, including trafficking, armed conflict, slavery, sexual exploitation and hazardous work—things we in this Chamber would shun. What co-operation is there with other countries to ensure that child trafficking or illegal and criminal activities are curtailed or stopped?

Amnesty International has stated that the strategy currently employed to combat that in the UK is ineffective and must be revamped. That must be our ultimate goal and aim. We must work with the zeal, enthusiasm and energy of Wilberforce—his name has already been mentioned—and pray that our results will come a lot sooner. I support the point made by the hon. Member for Mid Dorset and North Poole (Annette Brooke) about sporting activities. The information supplied by the Library refers to the under-age sex trade booming at the Superbowl. In modern society and in modern world, whether it is the United Kingdom, the USA or elsewhere, people have a responsibility due to their affluence, their money and what they can buy. A child—and the innocence of a child—cannot be bought; I feel very strongly about that. It amazes me to read that some

> "300,000 girls between 11 and 17 are lured into the US sex industry"

every year. That shocks and worries me. The story was also in the press, and it notes that some 50 children were rescued during the previous two Superbowls. Those who follow the event will know from watching it on TV that it is a great sporting occasion, but in the background there is the shadow of criminal and illegal activity, which causes me concern.

In conclusion, I congratulate my hon. Friend the Member for Upper Bann on highlighting the issue again, and pledge to work with him, with others present and with the Government to ensure that we, as elected representatives, speak out for those who have no voice, and cry out for the rights of the oppressed. These children are the most vulnerable and we have a responsibility to them. Let us carry out that responsibility and I ask the Government—our Government; my Government—to work with us.

Mr Jim Hood (in the Chair): I intend to call the Front-Bench representatives by 3.40 pm at the latest. I call Justin Tomlinson.

3.31 pm

Justin Tomlinson (North Swindon) (Con): Thank you, Mr Hood. I expect my speech to be brief. I pay tribute to the hon. Member for Upper Bann (David Simpson) on securing this crucial debate, although I dearly wish that we did not need it. I also pay tribute to those who have spoken on what is a truly horrific subject.

I wish to highlight four areas of concern, and I will be interested to hear the Minister's response. The first relates to the scale of the problem. I have done research and met organisations that wish to tackle the problem, and it is clear that, at best, the estimates are patchy, both in the UK and across the world. It seems that the true scale of the horror is all too often hidden away, lost in the system, or simply ignored. Far more needs to be done to make sure that we get a real understanding of just how horrific the situation is.

Secondly, if a victim is rescued in the UK and is brought in by the police, it worries me that, if they do not provide a statement or if they withdraw one, all too often an investigation does not follow. The main reason for that is that the victims live in fear of the gangs that control them. Unless we are able to convince them and give them confidence that we can provide them with sufficient protection, we will always struggle to get that evidence and break the grip of those gangs. I urge the Minister to look at whether we can proceed without getting all the evidence or statements from victims, or to make sure that those victims are given sufficient care.

The worst example is when a victim is released on bail and, as they leave the police station, the gangs are waiting outside to take them back. They are then lost to the system, the evidence trail is destroyed, and the cycle of despair continues. If the victim goes through the process and is placed in local authority care, the gangs will target those children and snatch them, often just days after they have been placed there. It is clear that the safeguards in such cases are woefully inadequate. Another worry is that, when rescued, the victims are often treated as criminals themselves, for either drug or immigration offences. They are treated as criminals, not victims.

Thirdly, on awareness, all too often, people acknowledge that this is an horrific issue while claiming that it does not happen in their area. But yes, it does—it happens under everybody's noses. Gangs often target some of this country's more affluent, new-build estates, where residents cannot name their neighbours, to be safe houses, cannabis-cultivating factories and brothels, because people do not notice when others come and go at different times. We all have a duty, as elected representatives and the Government, to highlight the issue. People need to be aware of it and understand that, if they see suspicious behaviour, they should report it to be investigated. I have been surprised a number of times to see that what seemed to be a quiet, well respected, crime-free area was actually hiding something pretty horrific behind closed curtains. We all have a duty to play a part in raising awareness of the issue.

Finally, I wish to highlight the issue of sex offences abroad by UK citizens, particularly the three-day loophole that allows known sex offenders to travel abroad for up to three days without notifying the authorities. In reality, that is a minor inconvenience if someone seeks to travel in Europe. It might stop them travelling to the other side of the world without supervision, but it causes no problem at all in relation to modern travel in Europe. Our record of prosecutions of British citizens for child sexual abuses overseas has been described by Christine Beddoe of ECPAT UK as "appalling". Frankly, that is shameful and more should be done, because it relates to our citizens perpetrating horrific crimes abroad.

I shall conclude with a plea. There is clear cross-party support for action. Although the UK in many ways leads in this area, much more can be done to protect and rescue victims. It requires better co-ordination of services, because it is not just about the Government. It is a multi-service agency issue and we all have a part to play. As my hon. Friend the Member for Mid Dorset and North Poole (Annette Brooke) has said, it is about fighting on all fronts, and we need real leadership to deliver. As has been said, behind every statistic is a real life horror story, and I urge the Minister urgently to deliver the leadership that we all want and that victims so desperately need.

3.37 pm

Diana Johnson (Kingston upon Hull North) (Lab): It is a pleasure to serve under your chairmanship, Mr Hood. I congratulate the hon. Member for Upper Bann (David Simpson) on securing a debate on this important issue, on which there is cross-party support, concern and willingness to address the problems that still exist and, as the hon. Gentleman said, to end the evil of child slavery once and for all.

The hon. Gentleman gave a powerful and moving account, with both a global and a focused, national perspective, which was helpful. It was also rich in reports, statistics and research, which is always helpful when dealing with an emotive subject such as this. He talked about the three key issues of forced marriages, sexual exploitation and economic exploitation, and addressed the problem of bonded labour, particularly in India. It was good to hear him quote at the end of his contribution the words of William Wilberforce. I am a Member of Parliament for William Wilberforce's home city of Hull, and we in that city know that the problems of trafficking and child slavery are still with us today and that there is still much more that we need to do.

The brutal trade in trafficked children and child slavery is the modern-day manifestation of the slavery that William Wilberforce and others campaigned to abolish more than 200 years ago. We are concentrating today on child slavery, but it is so near to international women's day that it is right to point out the overlapping trade in trafficked women around the world who are also kept in slavery.

We have heard interesting and thoughtful contributions from hon. Members during the debate. I pay tribute to the hon. Member for Mid Dorset and North Poole (Annette Brooke), who has a strong record in championing children's rights and has been a strong advocate for standing up for the most vulnerable in our society. Her analysis—at the beginning she focused on the international perspective and she then moved on to the issue of trafficking—was very well thought through. What struck me about what she and the hon. Member for Strangford

(Jim Shannon) said was their comments on the issue of awareness. In many parts of the country, people think that child slavery or trafficking does not happen in their area—people have said that to me in Hull—but when we start to dig down, we realise that there are problems with trafficking all around the country. It was interesting to note the reading habits of the hon. Member for Strangford. He reads *The Independent*, although he said that he did not buy it.

Jim Shannon: Once.

Diana Johnson: Perhaps just once. The hon. Gentleman talked about the generation of £5 billion through the operation of slavery worldwide. That is a huge figure and we need to bear that in mind, because some very powerful interests will want to make sure that slavery continues. He also talked about Albania, China and the international issues there. The hon. Member for North Swindon (Justin Tomlinson) correctly reminded us about the victims. We need to ensure that we focus on the needs of those victims.

I pay tribute to the hon. Member for Wellingborough (Mr Bone), who is the chairman of the all-party group on human trafficking. He has done a huge amount of work on the matter and has followed in the footsteps of the former Member for Totnes, Sir Anthony Steen. Thousands of people—children, women and some men—are brought into the UK each year to work in the sex trade. In 2008-09, the Select Committee on Home Affairs claimed that more than 5,000 people were being trafficked. In 2003, the total economic and social cost of human trafficking for sexual exploitation was put at around £1 billion. Many more people, including hundreds of children, are smuggled into the country each year to be exploited as domestic servants, farm hands or drug cultivators. We know that that is a real problem in the Vietnamese community. Vietnam is the most prominent of the 47 countries of origin for trafficked children and there seems to be a particular focus on young boys between the age of 13 to 17, who act as gardeners and cultivate cannabis plants in various settings.

In the remaining time, I shall discuss the EU directive on human trafficking. We have had lots of discussion this afternoon about why the Government have chosen not to sign up to the directive. The Government have said that they are already meeting the requirement set out in the directive. If that is right, which is in dispute, I ask the Minister to explain what would be lost by signing up to it. If we are doing everything anyway, what is the problem? Many hon. Members and organisations think that the Government are not complying with the directive. That was pointed out by many hon. Members in the debate on human trafficking held in Westminster Hall on 12 October and in the anti-slavery debate on the Floor of the House on 14 October.

As the hon. Member for Mid Dorset and North Poole mentioned, a report was published by CARE—a Christian charity—on 7 February entitled, "The EU Directive on Human Trafficking: Why the UK Government Should Opt-in." The report shows areas where the Government are not complying with the EU directive. They include support for child victims; widening the trafficking definition to forced begging; giving jurisdiction over UK citizens engaging in trafficking overseas; assistance to victims of trafficking in health care and accommodation; the investigation and prosecution of trafficking crime; protection of victims in criminal proceedings; and establishing an independent national rapporteur on trafficking. Such a role would be similar in nature to the one that Lord Carlile played in anti-terror policies.

The Government oppose in particular the measure on guardianship for child victims of trafficking—an issue that is referred to in early-day motion 513 tabled by the hon. Member for Wellingborough and which has been raised by a number of charities. I would be grateful if the Minister shed some light on that subject. The Minister for Immigration told the House that the Government do not want to be bound by measures that "are against our interests". It would be interesting if the Minister responding to this debate explained what that means. To whose interests is the Minister for Immigration referring?

The coalition agreement states that tackling human trafficking is a priority. I ask the Minister how much of a priority the matter is for the Government. I am concerned that many measures have been introduced that will weaken the protection of children from exploitation and the protection of vulnerable children, trafficked children and children who are held against their will. For example—the hon. Member for Mid Dorset and North Poole referred to this—there have been Government grant cuts to children's services in councils. We already know that there is a lack of awareness about trafficking and child slavery, and I am concerned that those cuts will have even further impact. There have also been cuts to specialist policing in the area of trafficking. Operation Golf has been abandoned, vetting and barring procedures have been weakened—as set out just yesterday in the Protection of Freedoms Bill—the Gangmasters Licensing Authority has been closed, and the UK Human Trafficking Centre and the Child Exploitation and Online Protection Centre have been dismantled. In addition, last year, ContactPoint was abandoned.

On the issues of child slavery and trafficking, co-operation is the wisest policy for the Government to follow. The cost of not pursuing such a policy will be terrible for exploited children and other vulnerable people. Many hon. Members have discussed the need to secure convictions, but we need a comprehensive approach to do so. On 27 January, in response to a question from my hon. Friend the Member for Slough (Fiona Mactaggart), the Minister for Equalities, the hon. Member for Hornsey and Wood Green (Lynne Featherstone), justified not taking a decision on whether to opt into the EU Directive, and stated that

> "we will make our decision in due course."—[*Official Report*, 27 January 2011; Vol. 522, c. 440.]

That is particularly surprising bearing in mind the stance of the Liberal Democrat party on the issue and its long-standing view on the matter, which it has held for many years.

We all want to do everything we can to stop child slavery and trafficking. I very much look forward to hearing from the Minister how the Government plan to address the issues raised in this afternoon's debate.

3.46 pm

The Minister for Policing and Criminal Justice (Nick Herbert): First, I should explain that I am responding to the debate on behalf of my hon. Friend the Minister

[Nick Herbert]

for Immigration, who is in Rome today. He apologises for not being able to be here, but I should emphasise that he is on ministerial business. I am pleased to be responding to this interesting and important debate, in which I am happy to be engaging as Minister for Policing.

I congratulate the hon. Member for Upper Bann (David Simpson) on securing a debate on such an important subject: child slavery. Tackling the trafficking of children into the UK is a key element of the Government's work to tackle child slavery in the UK. Children are brought to the UK to be exploited in domestic servitude or for labour, or to be used for sexual exploitation. The Government view human trafficking as an abhorrent crime. People are treated as mere commodities, exploited and traded for profit.

We have always stated very clearly our commitment to tackling the issue. The overall aim is to make the UK a hostile environment for trafficking and to identify and protect victims wherever possible. Children are included because they are, of course, the most vulnerable among those victims trafficked from various countries. I appreciate what the hon. Gentleman has done to raise the matter, and the contributions made by hon. Members from all parties. I agree that there is a large measure of consensus on the issue. I shall try to respond to all three of the key issues that the hon. Gentleman raised: forced marriage, the trafficking of children and sexual exploitation, and forced labour.

The UK leads the world in tackling forced marriage and places great emphasis on tackling early child marriage. It is an appalling and indefensible practice and is recognised in the UK as a form of violence against women and men, domestic child abuse and a serious abuse of human rights. There is no culture in which forced marriage should be acceptable. Victims can suffer physical, psychological, emotional, financial and sexual abuse, including being held unlawfully captive and being assaulted and repeatedly raped.

The Government have stepped up their efforts to tackle forced marriage in a range of ways: by strengthening the legislation and providing statutory guidance, practice guidelines and online training for professionals; by raising awareness and understanding of the issues, including among children and young people; and by providing effective one-stop support to individuals through the Forced Marriage Unit, which is a joint initiative between the Foreign and Commonwealth Office and the Home Office.

The Forced Marriage (Civil Protection) Act 2007 came into force on 25 November 2008, and offers civil remedies to protect victims or potential victims of forced marriages. I appreciate the hon. Gentleman's concern about the question of whether forced marriage should be made a crime, which he raised as a potential solution. A national consultation was carried out in 2005 on whether to introduce a specific criminal offence for forced marriage. The majority of respondents felt that the disadvantages of new legislation outweighed the advantages. Many worried that criminalising forced marriage would force the issue underground. Victims of forced marriage can be unwilling to take action against their parents and many respondents felt that the legislation would not be used. Those at risk of forced marriage, or already in a forced marriage, can seek protection through the civil remedies in the form of a forced marriage protection order. Some 271 such orders have been taken out since 2008. The Government said that we would look at the legislation if it was not working, but those figures suggest that the civil remedies are working. Of course, we should keep such matters under review and we will consider any further representations that hon. Members make on the issue, but I hope that that is a reasonable answer to the hon. Gentleman's particular concern on the issue of forced marriage.

On the issue of child trafficking, on 14 October, during the debate on anti-slavery day, the Minister for Immigration announced the Government's intention to produce a new strategy on combating human trafficking. The strategy reiterates the Government's intention to take a comprehensive approach to combating trafficking, both by combating traffickers and by looking after victims. There is a lot of extremely valuable work already taking place and there is a strong foundation to build on. The strategy will maintain the focus on supporting victims, while signalling a greater emphasis on tackling the root problem through more targeted activity in source countries, smarter multi-agency working at the border and more co-ordination of our law enforcement efforts in the UK. We are consulting with NGOs to ensure that their views on the strategy are heard and taken into account. We will certainly take into account the ECPAT report on child trafficking, to which the hon. Member for Upper Bann referred. The strategy will be published in spring and will build on the measures already in place.

Concerns were raised about the EU directive on human trafficking by my hon. Friends the Member for Mid Dorset and North Poole (Annette Brooke) and for North Swindon (Justin Tomlinson), and by the hon. Member for Kingston upon Hull North (Diana Johnson) on the Opposition Front Bench. I will not dwell on that because much has been said already, but I will restate the Government's position. The draft directive contains no operational co-operation measures from which the UK would benefit. It will help to improve the way other EU states combat trafficking, but it will make very little difference to how the UK fights trafficking. Opting in would also require us to make mandatory provisions that are currently discretionary in UK law. Such a step would reduce, in the Government's view, the scope for professional discretion and flexibility and might divert resources that are already scarce.

If we conclude later that the directive would help us in the fight against human trafficking, we could opt in. However, by not opting in now, but reviewing our position when the directive is adopted, we can choose to benefit from being part of a directive that is helpful, and avoid being bound by measures that we judge are against our interests. However, I would not want the fact that we believe that it would not be helpful to opt in to the EU directive—indeed, that it may be unhelpful in some respects—to colour the absolute determination that the Government have to act on the issue.

The Council of Europe convention on action against trafficking in human beings came into force in the UK on 1 April 2009. To aid in identification and referral, the national referral mechanism was established as part of the ratification of the convention on 1 April 2009. The

NRM is a multi-agency framework that allows us systematically to identify trafficking victims and to refer them to support where necessary.

In addition to victim care and work at the border, the Government have always been clear that we remain firmly committed to instituting a strong enforcement response against those who seek to trade in human beings. It is for that reason that we introduced dedicated anti-trafficking legislation through the introduction of the Sexual Offences Act 2003 and the Asylum and Immigration (Treatment of Claimants, etc.) Act 2004. I say "we"—I think that must refer to the previous Government, although I think there was broad agreement on those provisions. While the Government are committed to apprehending and charging those who commit this crime, we are also keen to ensure that victims, who are used by them for profit, are appropriately safeguarded. Our response must be international. Most victims of the crime are foreign nationals and there is an obvious need, therefore, to tackle the issue at source.

Hon. Members asked about the particular contribution of the Department for International Development. We have worked with DFID, the Foreign Office and the Serious Organised Crime Agency to support a number of initiatives that aim to tackle trafficking at the country of origin. DFID plays a key role in preventing trafficking at source as part of its work in combating poverty and social injustice through long-term development programmes. Additionally, DFID has supported programmes that are specifically focused on preventing child trafficking in such countries as Bangladesh and Uganda.

I would like to mention SOCA and the Child Exploitation and Online Protection Centre, as the status of both was raised by hon. Members. Both do valuable work in this area. SOCA has increased engagement through its global network of liaison officers in 40 countries. We intend to build on the work of SOCA by creating the national crime agency and maintaining the fight against serious and organised crime, of which that is an important component. Similarly, in relation to the important work of CEOP, to which I pay tribute, I reassure hon. Members that it is already a discrete part of SOCA. Should CEOP become a part of the successor body to SOCA, the national crime agency, it will remain a discrete part of the national crime agency. We are absolutely determined that CEOP should continue to be supported externally in the way that it currently is, and continue its valuable work. Nothing we will do will threaten the work of CEOP in any respect.

Diana Johnson: Has it not yet been decided whether CEOP will go into that new structure? Is that still to be debated?

Nick Herbert: We will announce a strategy in relation to serious organised crime in due course and are carefully considering those matters.

On the issue of funding, which was raised by the hon. Lady and by my hon. Friend the Member for Mid Dorset and North Poole, it is certainly the case that many agencies, including the police, are being required to save money. That must not deter them from their core business of providing front-line services. These are very serious crimes. Agencies and forces must remain focused on those crimes while they seek savings in other areas.

Finally, I would like to respond to the issue of child labour, which was raised by the hon. Member for Upper Bann. We are committed to the elimination of child labour and are working towards long-lasting changes to tackle the underlying poverty that is the root cause of that problem. Children the world over must be given the opportunity to achieve their full potential, as expressed in the UN convention on the rights of the child and other international and regional instruments. All children have the right to an education and should not have to work to survive. Entering the labour force too early significantly limits young people's opportunities over their lifetime and helps to trap families in poverty from one generation to the next. We are working through DFID. In addition, our commitment to the education millennium development goals of universal primary completion and gender parity at all levels of education, is evidenced by DFID's work in tackling poor working conditions in developing countries.

I hope that it is clear from my response to this interesting and important debate that there is a concerted effort taking place in this country and abroad, through a number of Government Departments and agencies, to heighten awareness of this issue and to ensure that assistance is given, where appropriate, to our overseas partners. I am grateful to the hon. Member for Upper Bann for securing this very important debate. The Government are committed to tackling this horrendous practice and, whether it is referred to as slavery or trafficking, it is clear that that terrible crime must be combated and child victims safeguarded.

David Kato

4 pm

Eric Joyce (Falkirk) (Lab): In late January, millions of people around the world were deeply saddened to receive news of the horrific murder of David Kisule, better known as David Kato, the prominent human rights activist best known for his brave campaigning on lesbian, gay, bisexual and transgender rights. David had been beaten to death in his home near Kampala. The shock at the killing was felt in this House particularly by colleagues such as my hon. Friend the Member for Inverclyde (David Cairns), who is not able to be here today. He had met David Kato in his celebrated campaigning role for Sexual Minorities Uganda just before his death.

Since then, the Ugandan police have made a number of arrests and one individual has been charged with the murder; in fact, the trial begins tomorrow. However, the trial must not signal an end to David Kato's case and all that it stands for, as some in Ugandan public life would, frankly, like. That is because the wider cultural and political backdrop in present-day Uganda is characterised by open and often vile homophobia. Uganda is hardly the only place where that is the case, but it is a country which, for the best part of a couple of decades, has had a broadly positive trajectory on democracy and human rights. It has not been perfect, and in some years people might have said that President Museveni had taken his foot off the pedal somewhat, but it is unquestionably the case that Uganda has been one of the better success stories in Africa.

When countries, particularly developing countries, skew their developmental trajectories, we should sit up and take careful notice, particularly when it is a country such as Uganda—there are others—of which, on the whole, we have had a good view. I have a personal record of involvement with politicians in Uganda. It is places such as Uganda that catch our eye. And so it is with human rights: we know which countries routinely abuse human rights and have done so for many years, and we try to do our best through campaigning, relationships with other countries and so on to change that, but when a country does not on the whole have a reputation for treating its population badly, it worries us when the quality of governance suddenly slips back.

The essence of the problem in Uganda, which David Kato's death has thrown into sharp relief, is that some people in Ugandan public life—politicians, journalists, business people and others—have for some time been seeking personal gain through pandering to and even encouraging homophobia. Prominent among them is David Bahati, the Ugandan MP, who tabled a private Member's Bill calling for homosexuals to face the death penalty. His name is ironic: I understand that "Bahati" means "peace." He wants peace for most people, but he wants to kill those who are gay. The Bill whipped up a fervour of enthusiasm among some newspapers, and the oddly named *Rolling Stone*—a new newspaper, not the famous American counterpart, I do not hesitate to add—eventually published pictures of known members and campaigners in the LGBT communities and urged people to kill them. Not that long afterwards, and perhaps tragically unsurprisingly, David Kato was killed.

David Bahati and *Rolling Stone* are both a disgrace, of course, but even more worrying at the time was the slow initial response of the Ugandan Government. Some Members and politicians stoked the fire with gusto. Bahati's private Member's Bill proposed, among other things, a widening of the definition of homosexual acts and a toughening up of penalties. It called for fines or imprisonment for anyone found to be promoting homosexuality, and the death penalty as punishment for serial homosexuality—the mind boggles.

Some agencies in the developed world chose to view the debate that raged around Bahati's Bill as providing an opportunity to present Africa through an African prism. In a sense, that is a noble, sound journalistic intent, but they used completely the wrong subject—again, the mind boggles. The BBC asked on its discussion forum whether homosexuals should face execution. That lent international legitimacy to the many people in Uganda and elsewhere who think that the answer is yes. I was reading the responses on my iPhone in the Chamber as they came out, and I was struck by the fact that no one who put a comment on the board was from Uganda. In effect, the BBC had stimulated a debate about whether homosexuals in the UK should be executed. There were people who said, "It is up to Uganda what is done in Uganda but we should probably do that here." That was the level of debate that that completely insane question stoked. It was most unfortunate, and I subsequently spoke to the head of World Service-Africa. I believe there is an understanding that that question and that particular treatment should not be repeated.

That said, the forum was an indicator of how people sometimes confuse a perfectly noble intent to understand developing world countries and say, "It is not for us to impose our values"—we all know about the tricky relationship that we sometimes have with China in respect of democratic values and so on—with what was, in this case, a universal value. I believe we can all accept that what David Bahati is doing is entirely monstrous.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): I congratulate my hon. Friend on securing this important debate. Does he agree that proposed measures such as David Bahati's Bill and some of the public and media debate in Uganda to which he referred provide exactly the right environment for people to be physically attacked and, in the most extreme cases, murdered?

Eric Joyce: My hon. Friend makes a strong point. I believe that everyone I have spoken to in all parts of the House would agree with that. It behoves everyone in the media to reflect on the BBC example, and to separate forcing a post-imperialistic, unacceptable perspective on a developing country from what is actually a perfectly reasonable, universally held value. In this case, the judgment was straightforward. That is something that not just journalists but everyone needs to reflect on when they think about such issues. We are not exercising some kind of imperialistic hegemony just by saying, "Don't execute homosexuals."

Pamela Nash (Airdrie and Shotts) (Lab): I, too, congratulate my hon. Friend on securing this debate, which deals with a subject that has not been given the time in the public eye that I would have liked. The *Rolling Stone* publication that he referred to has been covered extensively in the UK media, but it is not always made clear that it was produced solely to out homosexuals and, as my hon. Friend the Member for Liverpool, West Derby (Stephen Twigg) said, to incite violence against those individuals. It has not been going for a long time—it was created in the past few months.

Eric Joyce: That is a profound point. To be honest, I did not know that. I knew that *Rolling Stone* was a new magazine, but I was not aware of that. When I think about it now, it is obvious. That is a potent point. It has struck me as odd that the proper *Rolling Stone*, the American magazine, does not sue for breach of copyright, but I am not sure whether the copyright laws would apply in Uganda. My hon. Friend points to part of the general persecution of gay and LGBT communities in Uganda.

It is fair to give President Museveni a bit of credit for establishing a commission to investigate the implications of the Bill. As it is a private Member's Bill, it seems odd that it should need a commission, to be perfectly honest. The long and short of it is that the commission recommended that the Anti-Homosexuality Bill be withdrawn, although it is important to say that it is still, in fact, pending. It is also important to recognise that Uganda has just had presidential and parliamentary elections, and is now in a period of very little activity. It is possible, although I would hope not probable, that the Bill could go through in a wash-up on a truncated procedure. I suspect that President Museveni would not let that happen, but if the Minister or his diplomats in Kampala get the opportunity, perhaps they could make the point to the Ugandan Government whenever they can that the thing should be withdrawn, the sooner the better.

I shall conclude early so that someone else can speak. It is worth reflecting on the fact that the European Union has developed a set of guidelines for human rights defenders. It is very important, after David Kato's death, that the issue is fully pressed home not just by our high commission but by representatives of the EU and any EU institutions in Kampala. I am not sure whether the European foreign service—I hesitate to use the name—could also press it home.

The UK is in a position to take a strong lead, as we have a good record on equalities issues. I hope that the Minister will feel able to raise the matter with his Ugandan counterparts when he has the opportunity, and make the strongest case to the Ugandan Government that the UK and perhaps millions of people, and certainly tens of thousands of campaigners throughout the world, will not allow the matter to go away. President Museveni has said that things are done differently there, but he also recognised that there are international standards, and he has openly referred to the UK and US Governments as Governments to which he should pay attention. I conclude on that point, and wait to hear what the Minister says.

Mr Jim Hood (in the Chair): Mr Speaker received a letter from an hon. Member who wants to speak, but her office was not advised that she needed the permission of the Member who initiated the debate and the Minister. Does the hon. Member have that permission?

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Henry Bellingham): Yes.

Eric Joyce: Definitely.

4.10 pm

Pauline Latham (Mid Derbyshire) (Con): Thank you, Mr Hood, for letting me speak in this debate. I also thank the Minister and the hon. Member for Falkirk (Eric Joyce) for allowing me to join in. I congratulate the hon. Gentleman on securing this debate. I had asked for the same debate, but clearly because of his seniority the Speaker chose him instead of me.

The murder of David Kato demonstrates that despite some reforms under the newly re-elected President Museveni, aspects of his rule are a major concern, and speak as loudly against him as any successes have spoken for him. We know that David Kato was murdered with an iron bar or a hammer. That was first heard of under Idi Amin's brutal dictatorship, which we certainly do not want to return to. Such methods of murder are vicious, and I hope that people in this country appreciate what an awful death it will have been for David Kato. He was not the only person to suffer that fate, but he was such a champion for gay rights and the lesbian, bisexual, gay and transgender community that it is important to recognise what a serious event his murder was on the world stage. It was not just something that happened in Uganda; it has affected people throughout the world.

The spin and the lies about a burglar perhaps being the murderer—it was claimed that items were stolen—have started to fall away, and we now know that it is much more likely that he was murdered because he was homosexual. He had received threats from the paper that was mentioned. It is telling that society in Uganda was ready to believe that the murder occurred just because of a burglary, and not because David Kato had campaigned not just for himself, but for wider society in Uganda.

Since the murder, I have had the good fortune to meet representatives from the wider civil society in Uganda, who have all told me that they now fear for their safety, and that there is a climate of fear in Uganda. Because of safety concerns, it would be irresponsible to divulge who they are. Whatever their sexual orientation and views, no one should suffer such a fate or live in such fear. That would be like the 1950s in this country, and we should not encourage that.

Many people in civil society have received threats by letter, e-mail and text, notes have been left at their homes, and their friends and colleagues have been raped or beaten up. The way in which those messages have been sent is of grave concern and makes me think that the authorities may attempt to look the other way if another activist is murdered. That is a great concern, and we in this country can do something about it. One activist told me that the Ugandan Government regularly hacks into their phone and knows who they are talking to. It is only the worldwide network of support that protects them from being severely beaten or, even worse, killed.

Intimidation of civil society has always existed, and one has only to look at the 2009 draft Bill on public order management—if it goes through, it will restrict small meetings of more than three people from taking place—to see that the Government of Uganda view a more liberal civil society as a direct threat. Although Uganda has made many strides forward in the fight against poverty, there is still an important role for civil

[Pauline Latham]

society in Uganda to ensure that the country continues to grow and to get its people out of absolute poverty and into a much more prosperous way of life. However, with unfavourable legislation and the increasing security threats highlighted by the murder of David Kato, civil society in Uganda is retreating. Its presence in Uganda not only feeds the hungry and heals the sick, but provides a voice for those marginalised by the Ugandan Government.

I hope that today's debate demonstrates to civil society in Uganda that we support its campaign for a fair society, and I also hope that it will take its place in the wider argument against the Bill on anti-homosexuality, which was tabled last year against the background of increasing hostility towards civil society. I hope that President Museveni, who was recently re-elected, will steer his next Parliament towards international obligations and will, in the light of the global uproar against David Kato's death, build a fair and just Ugandan society. I also hope that our Government will put pressure on Uganda and encourage other countries to do so to support international human rights standards and to uphold the Ugandan constitution.

4.16 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Henry Bellingham): I congratulate the hon. Member for Falkirk (Eric Joyce) on securing this important debate, and I thank the hon. Members for Liverpool, West Derby (Stephen Twigg), and for Airdrie and Shotts (Pamela Nash), and my hon. Friend the Member for Mid Derbyshire (Pauline Latham) for their contributions.

The hon. Member for Falkirk raises an important issue, on which the Government have been closely engaged for some time. Indeed, I welcome this timely opportunity to discuss an important and difficult issue in Uganda, across Africa, and elsewhere in the world. Today, I want to talk in as much detail as I can about the deeply worrying death of David Kato. I would also like to take the opportunity to discuss issues relating to the human rights of sexual minorities more broadly in Uganda today. In doing so, I intend to set out the Government's position on the lesbian, bisexual, gay and transgender issue in Uganda, and to discuss our work in that area.

First, let me address the tragic death of David Kato on 26 January this year. He was well known to several hon. Members, and his killing saw the loss of one of Uganda's foremost human rights activists. He was widely respected by both domestic and international colleagues, and his valiant efforts, especially his work as an LGBT activist and a Christian activist, was important in defending the human rights of all Ugandans. His death, unfortunately, represents a backward step for human rights in Uganda, and I am sure that his loss will be felt by many in Uganda and around the world.

It is vital, as the hon. Member for Falkirk suggests, that the Ugandan police force thoroughly investigates Mr Kato's death. In my statement at the time, I urged the authorities to do that, and to bring the perpetrators to justice. As my hon. Friend the Member for Mid Derbyshire said, it was a particularly vile, vicious and unpleasant killing. Our high commission in Kampala has reinforced the importance of this in subsequent representations to the inspector general of police in Uganda.

I am advised that the Ugandan police investigation has so far resulted in two arrests. One suspect was released without charge due to lack of evidence. The second, Enock Nsubuga, remains on remand in Mukono prison awaiting a recommendation from the magistrates court for the case to be heard in the High Court, which is a legal requirement when an offence is potentially punishable by death. I understand that in a statement to the police on 2 February, Mr Nsubuga, a convicted criminal who was apparently employed by Mr Kato, confessed to robbing and killing his benefactor. Our high commission will continue to monitor the case closely, and plans to be present in court during the next hearing. In the meantime, the coalition Government will continue to support the rights of LGBT people in Uganda, as we do elsewhere.

I want to say a few words about our policy more generally in Uganda. We are committed to combating violence and discrimination against LGBT people as an integral part of our international human rights work. We realise that sexual orientation is a sensitive issue in many communities, but we firmly believe that any illegality of consenting same-sex relations is incompatible with international human rights law, including the international covenant on civil and political rights. Laws should guarantee the same rights to everyone regardless of sexuality, and if LGBT people choose to exercise those rights, they should be free do to so.

The Foreign Office has a clear programme for promoting the human rights of LGBT people that focuses on the decriminalisation of homosexuality and the fight against discrimination. It includes taking action on individual cases where discrimination has occurred, lobbying for changes in discriminatory practices and laws, and helping individuals on a case-by-case basis. Although the debate focuses on Uganda, similar prejudices against LGBT people unfortunately exist in many parts of Africa, and in many other places around the world.

Although we fully recognise and respect cultural and religious sensitivities, we intend to be active about LGBT rights in Uganda in various ways. On a number of occasions, we have made clear to the Government of Uganda that the UK position on respect for the rights of LGBT people is not something from which we will deviate. We are opposed to any actions that have a negative impact on the human rights of Ugandans. The high commission in Kampala has regularly raised the issue with the Ugandan Government, including with the Prime Minister and other Ministers. I was in Uganda in July and I had a meeting with President Museveni. Among other things, I raised the issue of human rights and the proposed legislation and Bill, which I will speak about in a moment. I made our concerns plain and clear.

Stephen Twigg: I welcome the strength of what the Minister has said in restating the Government's policy, and I offer the full support of the Labour party for that. Does he see value in taking the policy further and working alongside our European Union colleagues? If he does, has he had the opportunity to discuss with his European counterparts the ways in which the European Union can put pressure on Uganda to guarantee human rights for LGBT communities?

Mr Bellingham: It is essential that we work with our European counterparts, and if the hon. Gentleman will allow me, I will say something about that in a moment.

The Government will continue to take this matter very seriously, and we often take the lead on this issue, co-ordinating action across other diplomatic and donor partners. On the point about the EU, a formal démarche initiated by the UK was delivered by EU member states to the Ugandan Foreign Minister, and there have been regular meetings with LGBT activists. We have also been involved in the drafting and subsequent implementation of local EU guidelines for human rights defenders in Uganda. I hope that that will convince the hon. Gentleman—if he needed convincing—that we are very much on the case and working with our EU partners.

The UK has chosen to support the work of the Sexual Minorities Uganda group, which has acted as a focal point for a number of LGBT groups and activists in their work to protect those who have fallen victim of the law because of their sexuality. For example, we have enabled individuals to seek an injunction to prevent the publication of articles that incite hatred against the LGBT community. The high commission in Kampala remains in close touch with other Ugandan civil society groups that campaign for the rights of all minorities. I hope that that chimes with the point made by my hon. Friend the Member for Mid Derbyshire about how important it is to work closely with civil society groups throughout Uganda, and help them in their campaigns.

A number of hon. Members mentioned the hugely inflammatory articles that appeared in Uganda's *Rolling Stone* magazine late last year, targeting David Kato and many others alleged to belong to the LGBT community. The articles, which included photographs of the people whom the magazine was attacking, were deeply disturbing and incited hatred and violence against homosexuals. Of course we commend Uganda for its largely free press—I know that the hon. Member for Liverpool, West Derby shares that view—and the positive role that that often plays in generating debate. However, I absolutely and unequivocally condemn the type of journalism in that magazine.

We raised our concerns over the articles with Prime Minister Nsibambi and the Minister responsible for internal affairs, and we made clear the damage that we believe such things can do. I am glad that some senior figures in Uganda have highlighted the dangers that can result from insensitivity towards the gay community. Those people include the inspector general of police, Major-General Kale Kayihura, who cautioned the public and anti-homosexuality pastors against such insensitivity in an article in the *Daily Monitor* newspaper on 4 February this year.

Another related issue that has caused concern and was mentioned by the hon. Member for Falkirk and by my hon. Friend the Member for Mid Derbyshire is the anti-homosexuality Bill tabled in the Ugandan Parliament by David Bahati in 2009. This is a private Member's Bill and has not—fortunately—been endorsed by the Government of Uganda. Nevertheless, we have made our concerns clear to that Government on a number of occasions, because the Bill seeks further to criminalise homosexuality. As my hon. Friend pointed out, the legislation has the potential to inflame and incite serious hatred and violence. As the hon. Member for Falkirk said, the Bill includes a provision to introduce the death penalty for "aggravated homosexuality", and a term of life imprisonment for anyone convicted of "the offence of homosexuality." That is staggering and beggars belief. The Bill has not been adopted and remains at the Committee stage in Uganda's Parliament. It will, however, be carried over into the new Parliament. We are doing all we can and are monitoring the situation. We will keep up the pressure on the Ugandan Government at every available opportunity.

The UK will continue to play a leading role in Uganda and worldwide in helping to end inequality and discrimination against LGBT people—indeed, against all minorities. In July 2010, the coalition Government published "Working for Lesbian, Gay, Bisexual and Transgender Equality", a programme of work to ensure that the UK continues to push for LGBT equality both at home and abroad. That includes robustly examining the human rights records of other countries through the UN-led universal periodic review, and seeking opportunities to raise the issue within the Commonwealth.

A meeting of the Commonwealth Heads of Government will take place later this year in Perth, Australia, and we will be active in preparing the agenda for that. Given some of the unfortunate trends on increased persecution of gay minorities that are regrettably taking place in a number of Commonwealth countries, we will ensure that the issue is on the agenda for discussion at CHOGM later this year.

Once again, I thank the hon. Member for Falkirk for securing this important debate. The death of David Kato was a terrible tragedy and a horrendous, gratuitous murder. We hope that his legacy will live on, and I am sure it will. It is equally important that the perpetrators of that ghastly crime are brought to justice, and we will make sure that we play our role and that the small assistance the UK can provide is made available.

We have good bilateral relations with the Ugandan Government. I visited Uganda in July, and the Under-Secretary of State for International Development (Mr O'Brien) also visited last year. Uganda is a country with which we have an intensified bilateral relationship and many equities at stake. We have important trade agreements with Uganda and it is an important partner in the UN. It has been a temporary member of the UN Security Council, and we have worked with the country on issues affecting Africa.

However, as a candid friend, we will not resile in any way from telling Uganda about our concerns regarding its human rights record. Uganda moves forward as a country that is playing an increasing role in the east African community. It has just had an election. That had its flaws, but in the main, it was free and fair. Nevertheless, the country does itself no favours when it persecutes minorities of all kinds, and we will continue to stand up for those minorities. Once again I congratulate the hon. Member for Falkirk on securing this important debate. I hope that I have answered his point, and if there are any outstanding matters I will be happy to write to him in due course.

Hospital Services (Worcestershire)

4.29 pm

Karen Lumley (Redditch) (Con): It is a pleasure to speak under your chairmanship, Mr Hood. I am delighted to secure the debate on hospital care in Worcestershire. To put hospital care in Worcestershire in context, I should explain that we have two acute hospitals and a treatment centre. The acute hospitals are based in Worcester and my constituency of Redditch, and the treatment centre is in Kidderminster. In other parts of the county, we have community hospitals, which play a great role in delivering the highest level of care to our constituents.

The emphasis today is of course on the new cancer care facility, but all areas of the NHS trust are working hard and playing important roles. Worcestershire Acute Hospitals NHS Trust has recently appointed a new chairman, who is determined that the mission of the trust will be to make all care patient-orientated. To do that, the care offered, the facilities available and the attitude of all staff must put patients and their well-being first.

I shall begin by sharing with hon. Members some of the successes within the trust. The national target of ensuring that 80% of patients brought to accident and emergency by ambulance staff are seen within 30 minutes has been surpassed by our trust. The benefits of receiving treatment quickly are self-explanatory. Obviously, the more quickly a person is seen, the less likely they are to deteriorate, and the ambulance staff can get back to doing what they do best.

I spent some time in A and E at the Alexandra hospital and was incredibly impressed by what I saw. The staff do an amazing job, sometimes in very challenging circumstances. Guided by Mr Christopher Hetherington, a consultant in the department, I saw at first hand how staff dealt efficiently with arriving patients. I was struck by their professionalism and commitment to their patients.

Despite the added challenge of the snow and bad weather in December and January in Worcestershire, the trust's ambulance staff achieved a performance rating of more than 90%—the result of focus and dedication. I look forward to seeing them later this month when I do a night shift with an ambulance crew in Redditch.

Successes have also been shown in the results of patient surveys. The national maternity survey from 2010 showed that mothers in Worcestershire were impressed by the maternity care that they received. Those who completed the survey were pleased with all aspects of care, including care at home after leaving hospital. The trust now ranks in the top fifth for offering mothers choice. Choice should be at the forefront of the reorganisation that our NHS trusts face. If we are to create an NHS that is centred on patient care, offering patients choice about and influence over their treatment is essential.

Sajid Javid (Bromsgrove) (Con): I echo my hon. Friend's comments about Alexandra hospital. It is a hospital that people in her constituency and in my constituency share, and I know that constituents from far and wide respect the services that they receive, the quality of care and the dedication of the employees and the health care professionals. Does she agree that, along with Alexandra hospital and the other acute hospital that we have in our county, the community hospitals, such as the Princess of Wales community hospital in Bromsgrove, complement the health services on which our constituents rely in Worcestershire?

Karen Lumley: I thank my hon. Friend for his intervention. I totally agree with him. Many of my constituents in Redditch also use the Princess of Wales hospital. I have been there on many occasions and know what a fantastic job the staff do.

Effective hospitals rely on good facilities. Kidderminster hospital has recently acquired a state-of-the-art MRI scanner. It offers patients the best diagnostic procedures available. New services can now be offered, including breast scans and whole-body imaging. Some 9,400 scans a year can be performed with the machine. One-stop-shop access to out-patient clinics cuts waiting times and means that patients are in the clinics for as little time as possible. Developments such as those are lessening the postcode lottery effect in the NHS.

Worcestershire is awaiting a decision about whether a radiotherapy unit will be built at the Alexandra hospital in Redditch or the Worcestershire Royal hospital. I, of course, hope very much that it will be built at the Alexandra hospital in Redditch.

Harriett Baldwin (West Worcestershire) (Con): I thank my hon. Friend for securing this extremely important debate, because it allows me to place on the record the thanks of the Malvern community for the opening of the new Malvern hospital by the Princess Royal last week. Does my hon. Friend agree that a key thing with radiotherapy services is the distance that people have to travel every day and that Worcester might be considered a very central location in the county of Worcestershire?

Karen Lumley: As you can see, Mr Hood, we have a debate among ourselves about where the cancer centre should be sited. Obviously, we in Redditch and Bromsgrove have the advantage of lots of space to build the cancer unit, and we have already started a local campaign to bring the unit to the Alexandra hospital.

Mr Robin Walker (Worcester) (Con): I am grateful to my hon. Friend for giving way and grateful to my hon. Friend the Member for West Worcestershire (Harriett Baldwin) for the point that she made. I am sure that my hon. Friend the Member for Redditch (Karen Lumley) would acknowledge that the Worcestershire Royal hospital already has considerable expertise in cancer treatment. Will she join me in urging our right hon. Friend the Minister to ensure that, wherever such services end up being placed, they are supported, as they are a vital component of a strong and much needed cancer strategy for our county?

Karen Lumley: As you can see, Mr Hood, the feeling among us is quite strong. We have all campaigned together to try to secure a unit in Worcestershire and we are all very grateful that we are to get that unit—we just need to know where it will be. But wherever it is built, I am very pleased that, by the end of 2013, 95% of the radiotherapy and chemotherapy patients will be treated in Worcestershire. That is the message that we all want to get across. The ability of my constituents battling cancer to receive their treatment close to home and to know that the treatment is the best available will, I hope, make a real difference. The new facility will match the already excellent care that the trust offers—care that means that it was ranked in the top 20% of trusts in the national cancer patient experience survey.

The news of the radiotherapy unit and other successes is encouraging. However, like many other MPs, I am very concerned about the money that is spent providing locum doctors to cover staff shortages. I hope that the Minister will deal with that today. The number of locum doctors employed has increased dramatically in the past 10 years. Trusts face acute shortages of middle grade doctors. Locum doctors are expensive. They should be used only to fill unforeseen gaps in staffing or when there is a dramatic increase in work load. They should not form part of the regular staffing arrangements as they do now.

We all know that we must make cuts in the public sector. However, I cannot see why my constituents should face reduced public services because money is being spent inefficiently. A cost-effective NHS will offer greater scope in how we care for people in our communities, both in Redditch and nationally.

The problem has been exacerbated by the European working time directive. Reducing—unnecessarily, I believe—the number of hours that doctors can work leads, of course, to a reduction in the number of hours covered by doctors available to hospital management. That is combined with the new strict immigration rules, which have resulted in far fewer doctors being able to emigrate from India and Pakistan and increased the pressure on hospitals as they try to fill an increasing number of vacancies.

The result in Worcestershire Acute Hospitals NHS Trust, which has 24 vacancies at the moment, is that money that could otherwise be directed to caring for patients is spent on locum doctors, the agencies that they come from and the bureaucracy involved in short-term employment. If we are to succeed in reducing public spending, we can no longer rely on short-term solutions. I understand that the trust has been actively recruiting doctors from Poland and the Czech Republic. Initiatives such as that must continue. However, the idea being explored whereby non-medical roles are created to support rotas and treatment concerns me. The trust considers that option "undesirable".

It is not only doctors in hospitals who are anxious about the impending changes. I have met GPs recently—I do so regularly—who have shared with me their concerns about the establishment of the NHS commissioning board. When each GP must be a member of a consortium, their job will have to include commissioning services. The doctors in Redditch whom I meet regularly are equally concerned about the unequal funding for shire counties. I hope that that will be addressed sooner rather than later. There are also concerns about the reorganisation taking away local knowledge of the complexities of our county and its problems. Bromsgrove and Redditch GPs will do their best for their patients—I hope that, when the changes are introduced, they will be fully skilled to do the best job that they can.

In summary, I am delighted that we are finally getting a cancer care unit for Worcestershire—I hope that it will be in Redditch. However, I hope that the Minister will address my concerns about the expensive use of locum doctors and the concerns raised by local GPs. I welcome the coalition Government's commitment to local health care being delivered by local clinicians in our own localities.

4.39 pm

Mr Simon Burns (Chelmsford) (Con): I congratulate my hon. Friend the Member for Redditch (Karen Lumley) on securing what she rightly describes as an important debate. May I say how pleased I am to see my hon. Friends the Members for Bromsgrove (Sajid Javid), for Worcester (Mr Walker) and for West Worcestershire (Harriett Baldwin) here today? Together with my hon. Friend the Member for Redditch, their commitment and interest in the NHS in Worcestershire is second to none. They make a fine team, fighting on behalf of their constituents for the finest health care, which, as my hon. Friend the Member for Redditch said in her closing remarks, is at the forefront of the modernisation of the NHS outlined by my right hon. Friend the Secretary of State. I am delighted to hear of my hon. Friend's commitment not only to increasing choice for her constituents but to our modernisation programme; local decision-making will give far greater flexibility in effecting local health economies.

I take the opportunity to pay tribute to the many who work so hard to deliver high-quality NHS services in Redditch but, equally important, across Worcestershire, for the benefit of my hon. Friend's constituents and those of the other hon. Members who represent that fine county. They do a tremendous job, and the Government will support and empower front-line staff to continue improving services like none before them.

I join my hon. Friend in welcoming the creation of the Worcestershire Health and Care NHS Trust. The new trust will manage all mental health services in Worcestershire, and all community services currently managed by the PCT's provider arm. That can only be of benefit to the people of Worcestershire. Sarah Dugan, formerly chief executive of NHS Dudley, has been appointed as chief executive of the new trust, and the full board should be in place by the end of March. It will officially come into being on 1 July, giving it sufficient time to complete its registration with the Care Quality Commission.

The people of Worcestershire are also benefiting from the new Malvern community hospital, which, as my hon. Friend the Member for West Worcestershire said, was recently opened by the Princess Royal. The hospital brings together the expertise of nurses, physiotherapists, occupational therapists, speech and language therapists, dieticians and a Macmillan team to provide integrated, patient-centred care for patients in the community and in their homes. Providing more NHS care in that way is essential if we are to improve health outcomes while making significant efficiency savings across the health service. Frankly, outcomes are of the utmost importance to our constituents, as part of their care pathway.

My hon. Friend the Member for Redditch is concerned also about the current shortage of full-time health care professionals, which is due in part to restrictions on recruitment from outside the European Union. I appreciate that she is concerned because of the impact that the problem is having on her constituency. The Government's

[Mr Simon Burns]

policy on immigration seeks to balance the obvious benefits that people can bring to the UK while limiting additional pressures on local services such as housing and schools.

We still want the UK to benefit from the brightest and the best individuals who can contribute positively to the UK economy and to the NHS. The Department of Health is working closely with the UK Border Agency to ensure that the NHS has continued access to the best candidates, in order to provide the best quality care for NHS patients. I hope that that goes some way to reassuring my hon. Friend that we are aware of the situation and are working to find a practical solution that stays within the general philosophy and the wider scope of our immigration policy.

My hon. Friend raised a related issue—the ongoing impact of the working time directive. The Government committed themselves in the coalition agreement to limiting the application of the directive in the UK. The Department of Health and the Department for Business, Innovation and Skills are working closely together to achieve greater flexibility in the application of the directive in the NHS.

I understand that Worcestershire Acute Hospitals NHS Trust currently has 24 vacancies for middle-grade doctors in specific specialities, including emergency medicine, paediatrics and anaesthetics. That has caused the trust to rely on expensive short-term locum doctors. I agree with my hon. Friend that that is a far from ideal situation. She rightly said that if one is paying more for locum doctors it means that there is less to be reinvested in front-line services. In the current economic climate, it is crucial that we save as much money as we can from inefficiencies, or working practices that need to be improved, and that every penny of those savings is reinvested in front-line services for the benefit all of our constituents.

It is the responsibility of NHS trusts to plan and manage their demand for temporary staff in the context of local business and work force planning. Worcestershire Acute Hospitals Trust is actively looking to recruit doctors from the Europe Union; as my hon. Friend said, the trust had success recently in recruiting doctors from Poland and the Czech Republic. Eight of the 24 vacancies have thus been filled, and I assure my hon. Friend that every effort is being made to fill the rest. I totally agree that it is crucial that the trust is able to fill those placements as quickly as possible.

My hon. Friend mentioned the success of cancer care in Worcestershire, as did my hon. Friends the Members for Worcester and for West Worcestershire. Worcestershire Acute Hospitals NHS Trust has been held up by the national cancer survivorship initiative team as an example of how to run a successful prostate cancer service. It reflects extremely well on the staff of the trust that they have been able to deliver that quality of care—and received justified recognition for what they have achieved. The trust has just celebrated the first anniversary of its being declared a level 1 paediatric oncology shared-care unit, for providing better and more local care to children and families in Worcestershire. There is now a Macmillan cancer information and support centre at each of the three hospital sites. I join my hon. Friend in welcoming these developments, as it means better quality cancer services for her constituents and those of other Members.

I am glad to see that Worcestershire Acute Hospitals NHS Trust, University Hospitals Coventry and Worcestershire NHS Trust, and Warwickshire NHS Trust are working together to build a new specialist radiotherapy centre in Worcestershire. That is a subject and an interest that is close to the hearts of all Worcestershire Members, but particularly to those here today. As my hon. Friends will know, patients in Worcestershire travel in excess of a million miles every year for treatment, but by the end of 2013 the centre will mean that 95% of radiotherapy and almost all chemotherapy will be delivered within the county.

I am sure that my hon. Friends as well as the people of Worcestershire will accept that that is the right way to go, because when it is justified—it certainly is in these circumstances—care should be provided as locally as possible so as to reduce or eliminate the need for people to travel too far, especially if it is not necessary. My hon. Friends will agree, particularly for cancer care and radiotherapy, that it can be extremely upsetting, distressing and uncomfortable to people to have to travel long distances rather than being treated in the local hospital. For Worcestershire patients to have to travel in excess of a million miles every year for treatment is excessive, and I congratulate the Worcestershire trusts on coming up with such a proposal.

The trusts will work with existing cancer service providers to ensure that there is no disruption for patients who are currently receiving treatment. As my hon. Friend has said, they need to decide whether to locate the new centre at Worcestershire Royal hospital in Worcester or at the Alexandra hospital in Redditch. The local NHS will work with patient and clinical groups to make a decision as soon as possible based on the clinical and operational benefits of each site.

I understand that my hon. Friend has been encouraging the trust to locate the centre in Redditch. I suspect that my hon. Friend the Member for Worcester is doing exactly the same with regard to his constituency. I can assure my hon. Friend the Member for Redditch that her views will be taken fully into consideration when the decision is made. I hope that she is satisfied with that. She realises that it would be totally inappropriate for me to seek to interfere with the process because it must be decided locally—by local clinicians and local trusts. I am confident that a decision will be reached at the appropriate time, and I urge all my hon. Friends to have some patience because an announcement will be made in due course.

Oncology patients and diagnostics will continue at Alexandra hospital, Worcestershire Royal hospital and at Kidderminster hospital. I hope my hon. Friends will be reassured and pleased by that.

My hon. Friend also raised concerns over the impact of GP-led commissioning on local NHS services, following her recent meeting with health care professionals in Redditch. While the new commissioning arrangements will be led by GPs, they will work not in isolation, but in partnership with their clinical colleagues. When one starts to bring together clinicians from primary, secondary and community care to discuss how best to design local services, organisational distinctions quickly fall away. The conversation instead becomes one about the most appropriate pathway of care for a particular group of patients. I am pleased to say that that is already starting to happen in Worcestershire. Again, that must be the right way forward.

There are currently two pathfinder consortia in Worcestershire: South Worcestershire GP Commissioning Consortium and Wyre Forest GP Commissioning Consortium, with a third group, covering Redditch and Bromsgrove, in the pipeline.

Worcestershire Acute Hospitals NHS Trust is starting to build good relationships with these new consortia and has already had some very positive discussions with its GP colleagues. Indeed, each hospital, including the Alexandra hospital, has set up a commissioning board and is already meeting regularly with GPs. The trust's recent restructuring has enabled its senior clinicians and management team to develop further the relationships, and individual boards are now in place at each hospital site. That will allow the hospitals to work with consortia on a regular basis and jointly to agree the most appropriate way in which to provide safe, effective, patient-centred care for the people of Worcestershire.

Whatever concerns have been voiced by local clinicians in my hon. Friend's constituency, I hope that the practical experience of working with consortia—as opposed to working separately from them via primary care trusts—will soon change minds. Once the pathfinders have established themselves and their working practices and become more familiar with their enhanced role within the modernised NHS as laid out in our White Paper, I am confident that they will come to appreciate the system. GPs have the best knowledge of their patients' requirements. For the vast majority of patients, their first contact with the NHS is through their GP, and GPs are best qualified to identify their needs and requirements. I am sure that as the system beds down, GPs will come to appreciate their greater independence and their proactive role. In effect, there will be a bottom-up provision of commissioning for the health care requirements of patients rather than the existing top-down procedures through the PCTs. It will be a boon not only for GP consortia in Worcestershire but throughout England as the system becomes more established.

My hon. Friend is concerned about the possible impact on the Alexandra hospital of the financial challenges that lie ahead. Last year, the Alexandra hospital made a surplus of approximately 1.3%, which was roughly in line with the trust's surplus. Figures for this year are not yet available. However, as part of the need for the NHS to make up to £20 billion of efficiency savings in the coming years, Worcestershire Acute Hospitals NHS Trust faces a significant efficiency target in 2011-12. The Alexandra will have to find its share of those efficiency savings. Budgets are in the process of being set and hospital teams are currently identifying where savings and efficiencies can be made. I hasten to reassure my hon. Friends about the savings. Every single penny of those savings will be reinvested in front-line services, providing care for the constituents of my hon. Friends and people elsewhere in the county, and, indeed, the country. It is crucial that we make savings to cut out inefficiency and ensure that the provision of care is of the highest quality and delivered in the most effective and efficient way. Let me repeat again, all of the £20 billion that is saved over the time period will be reinvested in front-line services. That is what providing health care is all about. That is what we will do and what must happen so that we can maximise the money available for front-line care for patients.

The trust assures me that it has no plans to reduce the status of A and E services at Alexandra hospital, which I hope reassures my hon. Friend. Indeed, the terms of reference for the ongoing surgical review at the site state that there must be a viable A and E service in Redditch. I trust that my hon. Friend and her constituents will be reassured by that commitment.

My hon. Friend was also concerned that rural constituencies such as her own may be losing out under the NHS allocation formula. Rural communities generally have a higher proportion of elderly people and, because of the increased difficulty in reaching providers, rural populations may make less use of health services. Some argue that the previous formula may have disadvantaged such areas.

The Advisory Committee on Resource Allocation examined the issue but found no evidence that an adjustment was needed for rural areas other than the continued need for an emergency ambulances cost adjustment to account for geographical variations in the cost of ambulance services. However, my right hon. Friend the Secretary of State has asked ACRA to look again at the unavoidable cost differences in rural areas in the light of the move to GP consortia. ACRA is due to report its findings to the Secretary of State in June 2011. I cannot anticipate what those findings will be, but it is important to get an independent body to examine an issue that is of great concern not only to my hon. Friend but to other hon. Members who represent rural constituencies in England.

In conclusion, there is a great deal to be positive about in Worcestershire, and I am sure that my hon. Friends will agree with me on that. The addition of a new radiotherapy centre is a particularly exciting new development. Indeed, all my hon. Friends showed great enthusiasm for the centre, calling it a positive enhancement of local health care. They also expressed their wishes as to where it should be located. Even more exciting is the changing nature of the clinical relationships that our modernisation of the health service will bring and the potential for significant improvements in NHS services for my hon. Friend's constituents.

I am delighted to have had this opportunity to discuss the local health service in Worcestershire. There is a lot of positive news. My hon. Friends still have to express some of their views to the relevant authorities, and in due course, decisions will be taken.

5 pm

Sitting adjourned without Question put (Standing Order No.10(11)).

Westminster Hall

Thursday 3 March 2011

[KATY CLARK *in the Chair*]

Life Expectancy (Inequalities)

[Relevant documents: Third Report from the Public Accounts Committee Session 2010-11 HC 470, and the Government response, Cm 8014.]

Motion made, and Question proposed, That the sitting be now adjourned.—*(Mr Newmark.)*

2.30 pm

Margaret Hodge (Barking) (Lab): I welcome the opportunity, despite the sparsity of Members in the Chamber today, to debate one of the many reports that we have published since July, when we were established as the new Public Accounts Committee for this Parliament. I take the opportunity to thank the members of my Committee who, although many have not stayed for the debate this Thursday afternoon, do a fantastic job in coming to grips with all the issues on our hugely busy and diverse agenda and in holding the Executive to account over a vast range of areas. I thank the staff of the House, particularly our Committee Clerk and his staff, for working incredibly hard to keep up with the volume of work, and the National Audit Office, which always provides us with excellent material as a basis for our investigations into this vast range of Government business.

Health inequality is the most awful and terrible thing. People who live in poorer wards can expect to die seven years earlier than people who live in the most affluent wards in this country. Furthermore, they spend, on average, 17 years of their lives with a disability. That is unacceptable in a free, democratic, fair and compassionate society. Let me give some reality to those statistics. Some 3,000 more individuals die than otherwise might have done as a result of the dreadful inequalities between the richest and poorest areas. My own personal passion for tackling inequality comes, in part, from the knowledge that I have of how it impacts on my own constituency. The estimates say that, if someone lived most of their life in Barking and Dagenham, they are likely to die eight years earlier than a person who lived most of their life in Kensington and Chelsea.

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): Is my right hon. Friend aware that there are twice as many doctors in Wandsworth as there are in Barking and Dagenham, and that for every stop further that a person lives on the Jubilee line between Westminster and Canning Town, their life expectancy goes down by at least a year?

Margaret Hodge: My hon. Friend makes a hugely important point, and I want to spend quite a lot of my contribution talking about the distribution of general practitioners, and the relationship between that and health inequalities.

As a Committee, we believe that addressing health inequality should be at the heart of every Government. All MPs from all political parties share the desire and commitment to work towards eradicating those inequalities. It is because it is a shared ambition that our report makes particularly depressing reading. The previous Government came into power publicly committed to reducing health inequalities, so there was a strong political commitment to achieve progress in the area. During the 13 years of that Government, there was a huge injection of money into the health service, which resulted in welcome improvements for everybody, including increases in life expectancy among the whole population. We now have life expectancy for men of 78 years and for women of 82 years. In our session on pensions yesterday, we received evidence from the King's Fund that showed a massive improvement in life expectancy over the past decade or so, whereas in the last century there was hardly any improvement.

Given the general positive trend, it is horribly depressing to see that, while the health of the nation as a whole has improved, the gap between the richest and poorest, as measured by life expectancy, has widened. If we compare the life expectancy of men in the spearhead authorities—the most deprived authorities, in which a quarter of the population live, that were selected by the previous Government—the absolute gap and the relative gap increased between 1998 and 2007-09. In absolute terms, the increase was 8.6% and in relative terms it was 4.6%. If we look at the same statistics for women, the absolute gap increased by 9.3% for women and the relative gap by 6.5%.

What is so worrying about those statistics is that the gap between the richest and poorest women is growing at a faster rate than the same gap between the richest and poorest men. As yet, we do not have any good answers for why that is—unless the Minister can help us—except that women are smoking more today than they were a generation ago and are, therefore, more prone to diseases such as lung cancer that then kill them. I urge the Government to do some better evidence collecting so that we can understand what is happening and see whether we can take appropriate action to improve the figures.

Given our real determination to tackle health inequalities, why have we failed so far, and what should this Government do to improve performance and therefore close those unacceptable inequalities? We all understand that this is a hugely difficult area, and it is not just an issue for the health service; inequalities arise from socio-economic factors. If we consider the evidence, most of the inequalities—between 80% and 85%—come from socio-economic factors, such as income, education and housing, and probably between 15% and 20% arise from poor access to good-quality health services. It is important, therefore, that the health service does what it can. If it performed better, we would reduce that gap, but on its own it cannot tackle the problems of life expectancy that arise from whether someone is rich or poor or where they tend to live.

If we accept the importance of those wide socio-economic factors, it is vital that we have a comprehensive and coherent approach across Government. Integrating health inequalities into the wider agenda of tackling poverty inequality becomes hugely important. Without wanting to be politically partisan, I have to strike a warning note about the proposed cuts in public expenditure, which look as though they will hit the poorest hardest. If that is the case, I have not yet seen anything that provides me with the comfort that the direction of

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travel will reduce inequalities. In fact, quite the contrary, inequalities could be intensified. Will the Minister address that issue in her response to the debate?

I urge the Government to keep a focus on health inequalities as part of their agenda of tackling poverty and general inequality, and to judge all the actions that they take by how they will impact on health inequalities. That focus is hugely important.

Mr Richard Bacon (South Norfolk) (Con): I agree with the right hon. Lady that the Government need to maintain focus. I noted that our Committee's report says that the Department of Health itself acknowledged that it was slow to put in place key mechanisms to deliver its target and that it had used such mechanisms in other areas such as treatment of cancer, diabetes and stroke, where national clinical directors have proved quite successful. Does she think that there is scope for doing more in that regard in relation to health inequalities?

Margaret Hodge: Absolutely. I am grateful to the hon. Gentleman, who took through our recent inquiry into cancer. That inquiry demonstrated that, if there is that focus, outcomes will improve, although we can always do better. Having set the context in my opening remarks, I was going to make that point: access to and the responsiveness of the health service are hugely important. We need to do a lot of work to improve those things.

Tackling health inequality must be a real priority for everybody involved, which is the first lesson that we learned from our inquiry. It is not just about the politicians, for whom it has always been a priority. It must be a priority for the Department of Health, the new NHS commissioning board, GPs and all health service providers, local authorities, pharmacists and all others who have an interest in ensuring that we are healthy and live longer.

There is a criticism to be made of the previous Government. They were good at writing policy papers, but less good at following through those policies with specific actions. There were plenty of papers. We had the commitment in 1997, when the Government came in. We had the Acheson report in 1998. We had a target in the comprehensive spending review in 2000, which was pretty general but was about reducing inequalities. We had a refined target in 2002, which was more specific but perhaps a little less ambitious, and was aimed at reducing inequalities by 10% in the 20% of health authorities where there was the lowest life expectancy. We had a plan of action in 2003. That is an interesting point to pause at, because that plan of action had 82 so-called commitments. I do not think that our Committee looked at the plan in detail. I certainly have not done so. By December 2006, the then Government claimed to have met 75 of those 82 commitments, but we know from the statistics that the outcomes grew worse in terms of inequality. So there is something to be learned from the focus of that plan of action.

In the 2004 comprehensive spending review, the then Government revised and revisited the target. Again, we focused on it. We made it slightly less ambitious but more specific by focusing on 70 spearhead areas of the country. However, there is a danger with that approach, because more than half of the people who have an unequal life expectancy outcome at present do not live in those 70 spearhead areas. Inevitably, therefore, by concentrating action on those areas, we were leaving out far too many people.

Finally, in 2006—nine years after the previous Government came into office—reducing inequalities became one of the top NHS priorities. I think that it was at that point that we started to get things right. One of the lessons to learn from that is that, if we are not specific and focused, and tackling health inequality is not a high priority, we will not deliver, despite having the best intentions. In 2007, we got the primary care trusts to report on the progress that they had made on health inequalities.

Therefore, the view of the Committee is that reducing health inequality must be an explicit priority throughout the system and that it must be measured. I hope that the Minister will agree with that comment and I look forward to hearing her response to learn how she will ensure that the agenda on reducing health inequality is taken forward by this Government.

Ms Abbott: I have listened with great care to my right hon. Friend, who has had the opportunity to study these matters in detail. Does she agree that one of the problems in tackling health inequalities is that it does turn on good public health, which has never had the glamour or the immediacy of acute care in hospitals?

Margaret Hodge: I agree and I will develop that point a little later. However, the previous Government almost doubled the expenditure on public health, from an incredibly low base: it was 1.9% and it increased to 3.6% of NHS spending. I hope that the present Government will do even better in that regard. However, spending on public health is still a minute part of NHS resources, especially when it is an area that would prevent a lot of the health inequalities from emerging. Having conducted a study on cancer, both my hon. Friend the Member for Blaenau Gwent (Nick Smith) and the hon. Member for South Norfolk (Mr Bacon) would agree that the earlier that one can diagnose a condition the better the outcome. That was a key finding of the report that our Committee published this week on cancer.

I move to the issue of resources and I will talk about it in three contexts. First, I will talk about the resources—the actual money—that are distributed between geographical areas. Secondly, I will talk about the distribution of general practitioners. Thirdly, I will talk about the expenditure on prevention.

On resources, our study made it clear that at present there is an inequitable distribution of resources. The report showed that, in 2010-11, 68%—more than two out of three—of the spearhead PCTs were still not receiving the money that they should have been receiving on a needs-based allocation formula. That meant that more than £400 million of NHS money was diverted from those neediest areas to other parts of the country.

From the response of the Government in the Treasury minute, I know that they will continue to try to redistribute resources, but I would be grateful if the Minister gave us some indication of a time frame within which she would hope that there would be a much fairer distribution of resources to reflect need and therefore at least to give our neediest areas the capability and capacity to tackle health inequality.

I also note from the response of the Government in the Treasury minute that responsibility for the distribution of resources will go to the NHS commissioning board. What comfort can the Minister give my Committee about the instructions that the Department will give to the commissioning board regarding the action that it needs to take to ensure that there is genuine equity in the distribution of funding? Again, I know from my own borough that there is a real need for political commitment and drive to achieve that redistribution of resources. Obviously, there is a limited cake, we are in difficult financial circumstances and we are trying to see how we can cut that cake differently.

I and some of my colleagues in our local PCT area had to work extremely hard with Ministers in the previous Government to achieve a fair distribution of resources for Barking and Dagenham. That was the one area where we did okay. Obviously, that work was very local and it is not a pattern that we observed when we carried out the study across Government. So that is the first issue—a proper distribution of resources to poorer areas.

On the issue raised by my hon. Friend the Member for Hackney North and Stoke Newington (Ms Abbott), we must spend money on prevention. The issue of public health investment is crucial, because we know that other key causes of health inequality are what are known as "the risk factors": obesity, smoking, drinking, diet and lack of exercise.

In that regard, the previous Government did well. They increased the spending on public health, doubling it from an extremely low base to a pretty low level of 3.6% of NHS spending in 2006-07. I think that the members of my Committee would say that we need further progress in that sector to ensure that we prevent people from developing the illnesses that limit their life expectancy.

Under the present Government's reforms, we will have the new health and well-being boards, and they will receive resources. However, there are huge pressures on local authority budgets. Local authorities are probably having to absorb more cuts than any other part of the public sector. I have particular concerns about what mechanisms will be in place to ensure that local authorities spend the money they have, and prioritise expenditure on public health facilities and policies.

The commissioning board will have the responsibility to ensure proper expenditure on prevention, but the evidence given to the Committee showed that the problem with expenditure being devolved to GPs, who one would think were best placed in the health economy to think about investing in prevention rather than cure, is that their record in pursuing such investment is poor. GPs who have already been commissioning, and who control their budgets, do not have a good record of ensuring that they properly spend on prevention.

Finally on this point, the national health service has to find between £15 billion and £20 billion of expenditure savings, and while I accept that that money will be redirected within health, it is easiest to cut that which is most difficult to measure, which is investment in the prevention of poor health outcomes. In a climate in which the health service is trying to identify the very challenging savings that the Government have asked it to find—I accept that the savings were initiated by the previous Government—I fear that investment in preventive health measures will fall to the bottom of the agenda. How will the Minister and the Government ensure that money is properly spent on prevention?

Ms Abbott: Is my right hon. Friend aware that even now local authorities and primary care trusts are cutting public health expenditure, for example on community midwives and smoking cessation? Such expenditure is non-statutory, and it is going. Although one appreciates the intentions of Ministers in giving local authorities ring-fenced moneys, the danger is that those authorities will, under force majeure, use the money to backfill expenditure on environmental health and social care, and I have even heard of authorities believing they can spend their public health money on leisure services.

Margaret Hodge: I have a rather depressing example from my own area. We have had an effective smoking cessation service, but the regional health body looked at the expenditure both there and in Waltham Forest, which is spending far less, and instead of considering the impact and effectiveness of that expenditure, asked, "If Waltham Forest can do it for less, why can't Barking and Dagenham?" That very effective intervention is now being cut because the comparison made by the regional health body was on the basis of inputs rather than outcomes, and that is a depressing trend that we will see mirrored elsewhere in the country.

Thirdly on resources, we need to ensure that there are the right GPs in the right areas. All the statistics that were provided to the Committee on that make for extremely depressing reading. The least deprived areas of the country have on average 64 GPs per 100,000 people, and the most deprived have 57. In Barking and Dagenham we have only 40 GPs per 100,000 people. I hope those statistics are right—I got them only the other day—because it is shocking if they are. The previous Government tried to tackle that issue locally, and the Committee was given evidence about what they did nationally. For example, in 2007 we had the £250 million programme to establish 112 new practices and 150 GP-led health centres in areas with the fewest primary care clinicians. I assume that that programme is coming to an end and that most of those facilities have now opened, but perhaps the Minister can confirm that.

In my borough, we have had a paucity of GPs, and a concentration of single-person practices and very poor environments and, try as we might, we still have this very challenging problem. Over the past 10 to 12 years I have been engaged in encouraging innovation, including having salaried GPs, and linking our GPs to universities as an incentive, and we were the first borough to try to encourage private providers to come in. One of them was successful, but the health authority has, I think, closed the other one's contract. We have new health centres and practices, but the problem is that GPs are essentially independent providers and can choose to work wherever they wish. That is a hugely important point, and not just in tackling health inequalities, because if the Government cannot make the situation better, there will be much greater pressure on accident and

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emergency units and hospitals, and resources will be driven into the acute sector at the expense of community services.

Nick Smith (Blaenau Gwent) (Lab): When we discussed the role of GPs in public health, I was disappointed to discover that they were not incentivised by GP contracts to treat public health issues seriously and put resources into them. If they had been, that would have made a difference.

Margaret Hodge: I agree entirely with my hon. Friend. I understand that the Government have said in their Treasury minute that they intend to try to renegotiate the GP contract, and to increase the focus of the quality and outcomes framework on prevention, with 15% of the outcomes centred on it. I am really interested in hearing what the Minister has to say about that. We have to provide incentives in the system, but we also need to ensure that GPs do not cherry-pick. There must be incentives to ensure that GPs focus on the hardest-to-reach groups—on those people who do not automatically go to their doctor when they feel ill.

Finally, what will the Government do to support the health service to do what works? One of the most depressing findings in our report was in this area. We know that most health inequalities arise because of issues that are outside the control of the NHS, but 15% to 20% of them come about because of the quality of the health service that people experience, and their access to it. We also know that two thirds of the difference in life expectancy is due to people dying from respiratory and circulatory illnesses, and from cancer. I have no doubt that the hon. Member for South Norfolk will want to draw attention to the report on cancer that we published this week, which talks a lot about the fact that if we got better at early identification of cancer, particularly in poorer areas, we would be more successful in reducing health inequalities. We also know, from the Marmot review, that if we do not get better at reducing people's propensity to develop such illnesses, the additional associated treatment cost to the NHS, and therefore the cost of dealing with health inequalities, will be £5.5 billion. There is a fantastic financial incentive as well as an ethical incentive to spread practice that we know works in a much better, more structured and more defined way.

Our inquiry found three cost-effective interventions. They are so simple that we were all slightly gobsmacked that they are not more widely used. The first is giving anti-hypertensive drugs to lower blood pressure, the second is giving statins to lower cholesterol levels and the third is dealing properly with smoking cessation. There is probably a class bias involved. I cannot think of middle-class people who are not aware of those preventive interventions for respiratory and circulatory illnesses and who do not take them almost before they need them. However, poorer communities lack the same understanding and self-advocacy, which would support a reduction in health inequalities. Our inquiry also found that it would cost a mere £24 million—I say "mere," but it is relatively small in NHS expenditure terms—to ensure that those three interventions were properly implemented in the spearhead areas. At present, those spearhead authorities spend £3.9 billion each year on treating people who develop the illnesses that arise through lack of preventive action.

We also found that our record on reducing health inequalities varied across the country. London, for a change, did relatively well, whereas Yorkshire and Humberside did particularly badly. However, the Department of Health had not developed any proper understanding of why such differences existed, and therefore had not decided how to use the data to lever action.

Probably the most shocking graph in our report involved smoking cessation. There is a lot of evidence that one-to-one sessions do not particularly help people to stop smoking, whereas putting them into groups where they are influenced and encouraged by their peers tends to have a better impact, yet PCTs were putting nearly all their money into one-to-one sessions and very little into group sessions. That seemed an absurd waste of investment and a failure of those empowered to take decisions to do the right thing with their money, which could have had much more impact.

What are the good and bad things that we know so far about how the country will perform on health inequality under the reforms? The Government have said that reducing health inequality remains a key priority, and I welcome that, as we all should. I welcome the fact that the NHS commissioning board will have a duty to reduce inequality, but that in itself is not enough; we must understand how the board will focus on it. I welcome the fact that central Government will make information about good practice available, but I worry that the implementation of that good practice will not be directed more from the centre, if not mandatory. What does the Minister have to say about that?

I worry that there will be no central benchmarking of cost-effectiveness in reducing health inequalities. I welcome the commitment to move towards fairer funding between areas, but I worry about the rate of change. Will the Minister comment on that? I welcome the fact that the Government are seeking to renegotiate the GP contract and are minded to give greater weight to local health needs in that regard. I welcome the fact that they wish to change the quality and outcomes framework, and that health premiums will be available to local authorities that reduce inequalities.

However, there are risks, to which my hon. Friends have alluded, in relation to the public health proposals and local authorities' capacity properly to meet their requirements for reducing inequalities. I worry that the health premium will reward disadvantaged areas only if they make progress, and will disadvantage such areas further in the distribution of resources if they fail to do so. That would mean that people living in poor areas, who are likely not to live as long as people elsewhere, will be disadvantaged by a failure of the institutions that we have established.

How do the Government intend to ensure that local bodies work cost-effectively to reduce inequalities and provide value for money in their work? What powers, if any, will the Department, the NHS commissioning board or local health and well-being boards have to direct local GPs and providers who are not reducing health inequalities or are doing so in a way that gives bad value for money? What measures, if any, will be taken to ensure that the £20 billion in savings will not lead to short-sighted cuts to prevention budgets?

If the Minister can answer some of those questions, hopefully the good report that we as a Committee have put together can support the shared national endeavour to tackle this hugely difficult problem, which is so important in the life of our society.

3.7 pm

Mr Richard Bacon (South Norfolk) (Con): It is a pleasure, Miss Clark, to join under your chairmanship this debate on my favourite subject, the Select Committee on Public Accounts, along with the right hon. Member for Barking (Margaret Hodge) and other Committee members, as well as one of my favourite Ministers, the Under-Secretary of State for Health, my hon. Friend the Member for Guildford (Anne Milton). This three-hour debate is sparsely attended. I was a little worried that we might not fill the time, but then I reflected on the old maxim by Fidel Castro that a speech less than three hours long cannot possibly do anyone any good. Although I will not take off my jacket, I am prepared to be expansive should the need arise.

To be serious, although I do not plan to take up too much time, I think that the report is valuable. It points to something much broader than the single issue of health inequality, although that is an interesting and important issue. We begin our report by pointing out that in 1997, the new Labour Government announced that they would put reducing health inequalities at the heart of tackling the root causes of ill health. That was stated as a clear policy—it is not particularly politically controversial; most people would support it—yet many years later, here we are.

When my right hon. Friend the Work and Pensions Secretary was in opposition and doing a lot of work with his think tank, the Centre for Social Justice, he drew attention to health inequalities in Scotland. They are, strictly speaking, outside the terms of our report, but many people were shocked to learn—Scottish MPs probably knew this, but I did not—that the life expectancy in parts of Glasgow is lower than in the Gaza strip. My right hon. Friend did a lot of work on that issue in opposition, and he is now in a position in the Department for Work and Pensions to help others, including my hon. Friend the Minister, do something about it.

The issues are difficult and vexing, but they are not massively politically controversial, although the report shows that the gap between asserting the intention to do something and actually delivering it is often huge. That is the experience I have had many times in many different areas during the 10 years I have served on the Committee. Often, when Ministers are expanding on any number of subjects, my hon. Friends talk as if everything will be okay, just because it is our political party that is now discussing these things. When the Government make announcements of any kind, I think that, in a few years, we will be getting a National Audit Office report about all the things they forgot to do, all the things that went wrong and the eight common causes of project failure that they failed to observe.

My attention was drawn to a comment by the new hon. Member for Walthamstow (Stella Creasy), who is a new member of the Committee. She brings a lot of extra intellectual firepower to the Committee; indeed, she has a PhD from the London School of Economics. My right hon. Friend the Member for Barking—I will call her my right hon. Friend in this case—and I are also alumni of that fine institution. I believe, however, that the hon. Lady did not pay a large management consultancy to do her fieldwork for her, in the way that this morning's newspapers say Saif al-Islam did. That aside, she said in a recent debate:

> "Governments should not just start projects or policies—the public expect them to be able to finish them too. Essentially, implementation is as important as ideology in politics."—[*Official Report*, 16 December 2010; Vol. 520, c. 1134.]

The interesting thing is that we are not even talking about an area where ideology is that important. There is general agreement that changes would be a good thing, but it has still proved extraordinarily difficult to make the progress that we would all like.

The report is divided into three sections. We started by looking at the weaknesses in the approach taken by the previous Government. One of the most shocking things for me was that, in a period when life expectancy overall has improved, the gap between the national average and what we term the spearhead areas has actually widened, as the right hon. Lady said. Under the previous Government's approach, more than half the local authority wards in the bottom fifth for life expectancy were outside the spearheads, so there was not the slightest chance they would be covered, even though they had some of the worst figures. In fairness, the Department has recognised that its targeting and leadership were not adequate and that it was slow to put in place the right priorities.

There is considerable scope for the Department to take further the model of a national clinical director, which has been applied with considerable—I will not say unqualified—success to areas such as the cancer reform strategy. As the right hon. Lady said, we took evidence on that strategy and published a report on it this week, and it showed, in addition to some success and improvements, that there were still quite shocking variations. For example, there was an eightfold variation in the preparedness of GPs—I nearly said MPs, as well—to refer patients to cancer specialists, and that variation cannot be explained by socio-economic factors. In that respect, we had a fascinating hearing earlier this week with, among others, the King's Fund, the chair of the Royal College of General Practitioners and a general practitioner running a consortium covering 180,000 patients in Essex. The fact that they took quite different views of the Government's proposed reforms and GP consortia led to a fruitful dialogue, and the process of creative tension and debate meant that we got quite a lot of extra information that we might not have got if all the witnesses had believed and said the same thing.

It is clear that there were weaknesses in the approach that was taken, and I would like to hear more from the Minister about what proposals the Government have to make specific improvements and whether the idea of a clinical director should be taken further. I say that especially in the context of pushing public health budgets out to local authorities, because there will potentially be more stools for things to fall between. The Department of Health will presumably drive any national clinical director programme, but the influencing will be done with people in local authorities.

The second issue that the report looked at was the role of general practitioners. The hon. Member for Blaenau Gwent (Nick Smith) is right that, according to

[Mr Richard Bacon]

the Department, the GP contract does not give GPs enough of an incentive to focus on the neediest groups, although part of me wonders why there should need to be an incentive. I know from my experience of talking to GPs that people who go into medicine and general practice take a very holistic approach to their patient group. They will ask some patients to come in once every three or four weeks for no other reason than to keep an eye on them. They are fearful for such patients because they come from certain socio-economic groups and probably need an extra eye kept on them. However, let us take it at face value that the Department believes that the GP contract in its present form is not adequate.

Nick Smith: I am struck by the hon. Gentleman's point about GPs. Every GP I have met absolutely throws themselves into their job, and, with very few exceptions, usually does a fantastic job. However, after the evidence session, I could not help thinking that people will do what we pay them to do. If we get the incentives right and we are clear about the targets and the benefits of the activity that the Department, health board or primary care trust has emphasised, we will get better results. We need GPs absolutely to focus on the important topic before us.

Mr Bacon: That is right: people will do what they are paid to do. One criticism I have also heard is that the more we treat people like employees, the more they will behave like employees. In recent years, a lot of GPs have felt more bossed around, so they act like employees, rather than people who are running their own organisations.

Ms Abbott: Is it not also the case that in inner-city areas, such as the east end of London, large numbers of people who are reservoirs of disease are simply not on GPs' lists? As we move to GP commissioning, it will be important that GPs commission for the population, not just for the people who happen to be on their lists.

Mr Bacon: The hon. Lady makes an important point. One issue is the number of GPs in deprived areas, and a chart in the report shows the variation in those numbers. At one extreme, we have about 110 or 115 GPs per 100,000 of population, although that figure is an outlier, and the rest of the figures start at about 80 GPs and go down to an average of about 59 or 60. At the other extreme, in Redcar and Cleveland, the number of GPs per 100,000 of population is only 25. In other words, there is a fivefold differential between the best and the worst. Even if we cut out the extreme outliers, the figures still go from just over 40 to about 80, which is double. If there are not enough GPs in a given area, it will be that much more difficult to identify and get on to the GP list all the people we should—those whom the hon. Lady calls reservoirs of disease. That is an important public health problem, as well as a policy problem in terms of where GPs sit.

If the Minister does not mind, I would like her to comment on single-practice GPs. Although the proportion of such GPs has dropped from 34% to 22% in the most deprived areas, there are still 371 single-handed practices. All other things being equal, a single-handed practice is almost certainly not a good idea. There may be good reasons why one exists in a particular locality, and it is certainly likely to be better to have a single-handed practice than no practice, although Dr Harold Shipman comes to mind. There is also the fact that a GP is much more likely to work well if they are with a group of people than if they are by themselves; most of us work better in groups than we do wholly by ourselves. I would be interested to hear the Minister's comments on policy on single-handed practices and where the Government think we are heading on that. As I mentioned, I should also like to hear her comments on the proposed outcomes framework, and how she thinks the changes in the GP contract will make the kind of difference that is needed, both in getting GPs into the right areas, and in making sure that they focus enough on health inequalities.

The third part of our report applied the lessons to the wider NHS. There is of course considerable discussion and controversy about the Government's health reforms. We are not a policy Committee, so our report does not address whether the GP consortia reforms are a good idea. People have different views on that. I have my own, and instinctively I have always been in favour of giving more authority and power to GPs, for one simple reason, which is to do with what happens whenever, in the 10 years in which I have been a Member of Parliament, I have sat down with a group of GPs. I accept that what happens may be because, although South Norfolk is not economically very prosperous, it is not massively deprived either, and it is a pleasant place to live. Some might even call it leafy, but we have plenty of socio-economic problems, and employment problems. I do not want to gild the lily, but it is not in most respects a deprived area compared with many others, so perhaps the GPs I meet are a biased sample. None the less, every time I sit down with general practitioners, from whichever practice in my constituency they come, I always walk away thinking, "My, what a sensible bunch of people. If only they were given more control and power in the running of the health service. Things would almost certainly work better." Of course, the Government's proposals are in that direction, so my instincts are to support what they are doing.

My experience of 10 years on the Committee, however, is that whenever the Government try to change anything of any kind, anywhere, they always underestimate the risk and over-egg the benefits. There are considerable risks to the change, including the fact that it is a change. All change, particularly when it involves big management change, raises risks. It is likely, I think, that the best of the people working in the primary care trusts, if they are good at managing health consortia, will be hired to do the job. If things works out as well as we all hope, we shall probably end up with better management, and fewer and better-paid people doing a sharper, leaner job than has happened with primary care trusts. In addition to lots of meetings with GPs over 10 years, I have had plenty of meetings with the primary care trusts in my constituency. When I was first elected, there were six PCTs just for my constituency, which was then one of eight in Norfolk, with a total population of 800,000. Each had its own finance director on a six-figure salary, and not all were particularly well qualified, which may be one reason why the PCTs began to get into serious financial trouble a few years ago, despite the fact that the NHS was receiving record funding increases.

I have probably dwelt on the issue a bit too long, and I am not trying to make a political point. I merely say that I instinctively have a degree of support for what the

Government are trying to do in the context, but it still gives rise to a series of questions. I was quite surprised when I heard that public health would be moving away from the health service towards local authorities, because, on the basis of my experience of my local hospital, which is a good and fairly new acute hospital built in the past 10 years, and based on my experience of general practitioners, I would sooner that those responsibilities were left with clinicians than that they were given to the council.

When I see the proposal for health and well-being boards, I think "What if?" Let us think back to 1997, as the sun came up over the Thames and the then new Prime Minister Tony Blair said, among other things, that the Government were going to put reducing health inequalities at the heart of tackling the root causes of ill health. What if he had said after a couple of years, "I know; here's another thing we're going to do. We're going to have something we will call health and well-being boards, and because we are in favour of democracy we're going to give them to local councils"? What if we had then watched as not a lot happened for the next 10 years? I am just making this up, because it never happened, but say those bodies had been established, and had not achieved quite as much as we hoped: I can see that we might have gone into the general election saying, "As for those health and well-being boards run by the council, well you've all read about them in the *Daily Mail* and we'll be getting rid of them on day one." I am sure it will not work out in that way, and that my hon. Friend the Minister is well aware of the risks and has them under control.

I was interested that the Department told us that the money for the public health budgets would be ring-fenced. Paragraph 22—the final paragraph of our report—said:

> "The Department told us that action for improving population-wide health and reducing health inequalities would be funded from a ring-fenced public health budget."

One of the questions I have for my hon. Friend is, "When is a ring fence not a ring fence?" I have had meetings with my local council, which is rather eager to get hold of the £11.7 million coming its way for its public health budget. It is not its impression that it will be spending it all on public health. Some of us think that it may have other priorities in different areas, which have nothing to do with public health, but which it seems to believe have merit, and for which it can make a strong case—and, indeed, many of my constituents would make a similarly strong case. I want to understand exactly what the health and well-being boards will do, and what leverage they will have over the GP consortia, to ensure that they deliver the priorities they are supposed to—or what other methods there will be to make sure that the consortia deliver those priorities.

That all comes back to what I was saying earlier to my hon. Friend about the need for greater clarity about ensuring that the outcomes framework and the new GP contract deliver what they are supposed to. I do not care whether it is health and well-being boards who do it, or whether they exist. I care that it should happen, and it is not abundantly clear to me that there is yet a picture with all the dots joined up, so that we can be sure that if health and well-being boards are carrying out that task either they will have the correct leverage over GP consortia or there will be other mechanisms in place, through the outcomes framework or the new contract, to achieve what the Government, like the previous Government, say they want to do about health inequalities.

Ms Abbott: It has been my experience in my present Front-Bench role that local authorities throughout the country believe, broadly speaking, that what they call public health is public health, and that they can spend the money on that. As I said earlier, they can spend it on environmental health, social care or leisure services. I am concerned precisely with the point he made: when is ring-fencing ring-fencing? Because I do not believe that the money can be effectively ring-fenced for what we would recognise as public health expense.

Mr Bacon: I am interested in the hon. Lady's comments. Of course, if we made sure that every schoolchild got a tangerine every day as part of their five a day, it would not be difficult to make a strong case for that being in the interests of public health. It would not be necessary to be a member of the tangerine growers association to make that argument.

The Parliamentary Under-Secretary of State for Health (Anne Milton): I hesitate to intervene at this stage, because I will have an opportunity to speak later, but I must say, as it is such an important point, that the fact that the child gets the tangerine is not the point. The point is, does the child eat it?

Mr Bacon: I am pleased to say that my son would eat it, if given a chance, but he has been indoctrinated by my wife to think that fruit is the best thing going. However, to go back to what the right hon. Member for Barking said earlier, that is what happens in middle-class households, where children have lots of fruit and vegetables. My son is three and one of the things he loves the most is cucumber; he adores it. I am sure it is full of the right nutrients, although I think it is 99% water. The point is that we must make sure that those messages are getting across.

When I think about a cross-section of the population of my constituency, and ask whom I would most trust to persuade a little boy to eat tangerines—the local councillors or the general practitioners—I am not sure that I would immediately plump for the councillors, particularly given the fact, as the hon. Member for Hackney North and Stoke Newington (Ms Abbott) has said, that councillors have a lot of other pressures on them and have other priorities. I asked when a ring fence is not a ring fence, but of course there is another question about whether there should be one. One thing that we apparently feel unable to admit is that if we take off the ring fences and tell people, "We mean it when we say that you at the local authority will decide what happens," the natural concomitant will be variation between different parts of the country. The rhetoric and the argument is that it is down to local people and if they do not like it, they can choose a different councillor.

I attended a meeting with a senior Minister in the Cabinet Office. It was just after the general election and he had been to a meeting with local councillors from across the country. He relayed a story about how a group of Conservative councillors had asked him, "Right, Francis"—that gives away who I am talking about—"we have won the election, or partially won it, at least. What

[Mr Bacon]

do you want us to do?" He replied, "I want you to stop asking that question." In other words, the Government seriously want to give local authorities the power to make these decisions. The obvious concomitant, however, is that there will be differences in different parts of the country. If that is the case—and in the light of the fact that, even when we have tried to have a co-ordinated strategy to get the same outcomes and reduce health inequalities, we have managed simultaneously to improve life expectancy and to widen the gap between the best and the worst—how much more likely is it to go wrong when we have this degree of local autonomy?

These things always come in waves—localism and centralisation have gone backwards and forwards. Some may remember Tony Crosland saying in 1974, "The party's over," and I am sure that we will come to a "party's over" moment, although it is probably a few years away yet. I am interested in what happens on the ground to achieve change, and it sounds like my hon. Friend the Minister is as well. I shall not speak for much longer, because I am keen to hear her response.

I shall conclude with one further point to make my hon. Friend's job a little easier, although no one pretends that this is easy. Indeed, we say in conclusion 7 of our report:

> "Addressing health inequalities is a complex challenge requiring sustained and targeted action. The Department's experience to date shows that greater focus and persistence will be needed to drive the right interventions."

That is about strong leadership, as we go on to say in that paragraph. That is why the examples from other areas, such as Professor Sir Mike Richards's cancer strategy, may have something to tell us about what we ought to do about reducing health inequalities. We all agree on the ends, but there still seems to be a lot of confusion about which means will work best. It is important for the whole country that we sort out that confusion and start seeing improved results.

3.32 pm

Nick Smith (Blaenau Gwent) (Lab): I am pleased that you have called me to speak in this debate, Miss Clark, following the terrific contributions of the Chair of the Public Accounts Committee, my right hon. Friend the Member for Barking (Margaret Hodge), and my fellow PAC member, the hon. Member for South Norfolk (Mr Bacon). As a new Member, I feel privileged to serve on the PAC, given its powers to review all areas of Government spending and to assess whether individual programmes are good value for money.

In the report, we looked at how the Department of Health delivers action to reduce the inequalities in life expectancy that we find in each of the nations of the UK, not just England, although the report looked at England specifically. On the day that we took evidence for the report, I went away with a very heavy heart. I was hugely disappointed that the Government and public policy had failed to make a real dent in this crucial area. I am sorry to say that I was convinced of the failure of senior politicians to drive the issue harder over 10 years, and of senior national health service managers to implement good practice and policies. That is just not good enough.

It is with a mixture of sadness and anger that I must report that adults in my constituency of Blaenau Gwent have life expectancy rates of just 75.6 years for males and 79.1 years for women. Blaenau Gwent has the 10th lowest life expectancy at age 65 in the whole of the United Kingdom. Worryingly, figures released recently by Save the Children revealed that 20% of the children in my constituency—2,000 youngsters—could be living without basic necessities. It is the highest rate in Wales. We are talking about children whose parents skimp on food so that their home can be heated and the youngsters can be fed, and children who are more prone to infections, colds and accidents. That deprivation is likely to have an impact on their health and their life expectancy. These young children are our responsibility and we must do better.

It is because I see the consequences of deprivation in my own constituency that I was absolutely incensed to learn how the Department of Health has been failing families living with poor health in similar constituencies in England. After all, it is more than 30 years since the Black report set out the scale of health inequality in the UK. I do not want to be partisan—this has been a good debate—but that report was buried by Margaret Thatcher, so in 1997 the new Labour Secretary of State for Health, my right hon. Friend the Member for Holborn and St Pancras (Frank Dobson), asked Sir Donald Acheson to update it. Subsequently, the Labour Government set a target of narrowing the health inequality gap by 10%.

Colleagues have already said that tackling health inequality is complex. Acheson flagged up a number of initiatives, such as better housing, higher child benefit, and pre-school investment, which he urged the Government to adopt. A number of those things have been done and have made a difference. The 2008 World Health Organisation inquiry by Professor Marmot was equally radical. It identified low incomes, bad housing and a failure to curb junk food as some of the factors that contributed to poorer life expectancy. He also advocated a higher minimum wage, which we will be pushing for in the future, difficult though it may be.

It is important to set the context of the PAC inquiry, because action by the Department of Health is by no means the only action needed to tackle health inequalities. I am sympathetic to a degree with the idea of involving local authorities in the task. We all remember gas and water socialism, whereby local authorities played a big part in ensuring that we had a cleaner environment and gas to heat our homes. Having said that, I am keen for health authorities and GP practices to keep an eye on the issues that make a big difference in public health.

The wealth of reports, information and good practice on public health that were already in the public domain should have galvanised the Department into early action on matters upon which it could deliver. Tackling health inequalities was, after all, one of its key objectives in 1997. As my right hon. Friend the Member for Barking has said, in 2004 the Department set the task of reducing the gap in life expectancy between 70 spearhead areas and the population as a whole. However, although national life expectancy has improved, the gap between the spearhead authorities and the national average has widened. What a depressing fact that is. By looking at why the Department of Health failed in its objective, the PAC was keen to identify pointers, and they will, I hope, enable us to make progress on reducing life expectancy differentials, particularly because no target has been set at present.

The PAC is keen to promote best value, which is very important at all times, but particularly so in the straitened economic circumstances in which we now find ourselves. As NICE has said:

> "Public Health interventions are extremely good value when compared with the costs of clinical interventions."

In our investigation, the PAC found that the Department was slow to get off the starting block and to utilise NHS resources effectively. I stress that this was a priority for the Labour Government in 1997, but it took nearly 10 years for it to be implemented on the ground by PCTs. It should have been a fantastic opportunity to make a difference in a key area for Labour that is representative of our core values. Targets were adopted in 2004, but reducing health inequalities did not make the Department's top six until 2006, and it took another year for PCTs to be fully involved, which is way too long.

As early as 2002, three key cost-effective policies were identified to help to meet the objectives. My right hon. Friend has pointed them out, but I think they are worth repeating. They should be part of national initiatives, despite the Government's localism agenda, and should be given emphasis in the future. The first was medication to control high blood pressure, the second was medication to reduce cholesterol, and the third was help for people to stop smoking. Those three things alone would have a marked effect on the agenda.

However, it still took five years for the Department to advise on the best way to implement those policies and to monitor what PCTs were going to do in their patch. Some extra funds were transferred to the spearhead areas on the basis of higher need, but they only trickled through. The spearhead authorities did not reach their target funding levels. If we set public health objectives, we have to deliver the funding. Hon. Members' comments this afternoon on the need to be clear about what money will go forward and precisely how it will be spent are really important for this agenda.

Like other hon. Members, I shall turn to the role of GPs in tackling health inequalities. We all know that GPs are a fantastic and unique asset but, unsurprisingly, the spearhead areas did not have enough of them. It is as blunt as that. There just were not enough GPs. The reality is that the Department has failed to secure sufficient GPs for poorer areas, despite some good initiatives, which my right hon. Friend has mentioned. The Department has failed to make a difference and to negotiate a GP contract that gives an adequate incentive to focus on patients with the greatest need. I am absolutely clear that people will do that if they are paid to do it. That needs to be promoted and pushed as simply and as hard as possible.

The record also shows that few preventive services have been commissioned by GPs under the practice-based commissioning system introduced in England in 2004. That is a fact. Unfortunately, that does not inspire confidence in the Government's plans to move to an NHS in England where services are predominantly GP commissioned. If there are not enough GPs in the first place, it is just not going to happen in a lot of areas. The new health and well-being boards, which will be set up by local authorities in 2013, will scrutinise how local commissioners are reducing health inequalities. However, what teeth—or sanctions—will they have? What budget will there be for public health and what exactly will that include? We must get to the bottom of that, otherwise more wasted years lie ahead of us. I hope that the Minister will address those points this afternoon.

A recent review and study of the impact of the economic downturn on health in Wales considered my constituency and concluded:

> "In Blaenau Gwent, the recession has hit hard and was felt to have exacerbated the existing long term problems of the area."

Things were bad already and, with unemployment, they will get worse. The study found that young people are the age group most likely to suffer in the long run

> "as the transition from education to employment, further education or training is pivotal for long term secure employment and health".

Given the current high levels of youth unemployment—we read about that in this week's papers—I am afraid that the Government are storing up a large health inequalities problem for the future. The study recommends the development of leisure services to help those distressed by job loss, extra resources for debt counselling and access to affordable loans to help to reduce the anxieties associated with loss of income and low incomes. We need to look at the wider agenda and be mindful of that, as public health discussions go forward. In a nutshell, public health outcomes have to be addressed by all levels of government.

Finally, as the Minister responsible for public health is here, I cannot pass up the opportunity to comment on the Department's plans to help people to stop smoking. Certainly, the NHS must assist individuals to give up smoking using local resources such as nurses, pharmacists and GPs. All of that is terrific. However, the Government must also implement the ban on tobacco displays in newsagents. Such actions may deter young people from smoking in the first place. I commend the Welsh Assembly's tobacco control action plan, which continues to deliver smoking prevention programmes in our schools in Wales. In terms of the economic picture, that should be rolled out across the UK—certainly in areas such as mine.

Another of my public health priorities is alcohol pricing. Some commentators have predicted that the continued squeeze on family incomes will lead to a reduction in alcohol consumption. However, the Government could be much bolder on minimum pricing. VAT plus duty is not enough and if the NHS spent less on treating the consequences of alcohol misuse, we would have more money to invest in public health and improving life expectancy for the poorest in our society.

Thank you, Miss Clark, for calling me to speak. I am grateful to the National Audit Office for producing a fantastic report and to my fellow PAC members for adding value to it. I hope that the Department of Health and others will act on it soon.

3.44 pm

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): I congratulate the Public Accounts Committee and the NAO on an important report that sheds light on a lot of health policy issues. I read with care the Government's response to the report and it seemed that

[Ms Diane Abbott]

although it was well-meaning, it was sketchy. I hope that we will get some more detail on the points of concern to everyone who has spoken in the debate.

I cannot address the issue without repeating what the PAC has said: under my Government, inequality widened. I would not want to resile from that. I hope that the new Government can build on our achievements in fighting health inequality—there were substantial achievements—and learn from our mistakes. That is what the PAC is trying to point towards in its report. In its report summary, the PAC states:

> "It is important that tackling health inequalities does not slip down the Department's agenda."

I will try to refrain from commenting on the drama and excitement surrounding the Government's health reforms. However, in that drama, excitement and Sturm and Drang—as the Germans say—it would be very sad indeed if the progress made was lost sight of and the need to deal with health inequalities in practice and in a targeted fashion slipped down the agenda. One of the most important points made by my right hon. Friend the Member for Barking (Margaret Hodge), the Chair of the PAC, was that we can have all the good will in the world but unless we are focused on the issue and there is a targeted policy approach, the outcomes that we all want to see will slip away.

Health inequalities are an international issue. In the United States, research shows that if black Americans had the same mortality rates as white Americans, there would be 800,000 fewer deaths over a decade. Even in one of the richest countries in the world, they have not been able to tackle the blight of health inequality. If we consider other countries, we will see that life expectancy for women in Zimbabwe is 42 and in Afghanistan it is 44. In contrast, that figure is 86 in Japan.

Probably the greatest single contribution to tackling health inequalities was made by Clem Attlee's Government under the leadership of Aneurin Bevan in establishing a national health service. We were given a health service that is comprehensive, universal and free at the point of access. There is no question but that the nation's health has improved massively since the introduction of the NHS. Yet since the 1930s, despite the creation of the NHS, vast social reforms and colossal scientific advances, the gap in mortality between professional and unskilled men has more than doubled. We need to pause and reflect on that because it shows the difficulty of engaging with inequalities.

I think it was more than 30 years ago that Julian Tudor Hart wrote about the inverse care law and pointed out that the availability of good medical care tends to vary inversely with the needs of the population that is being served. That accounts for the very low numbers of doctors in some parts of the east end of London and so on. As we touched on earlier, people in the poorest areas of London, Manchester or Glasgow will die seven, 11 and, in Glasgow, 28 years earlier than people living in the same urban conurbation.

We have heard in the debate about what a Labour Government tried to do on health inequality. From the glittering eminence of my right hon. Friend's position as Chair of the PAC, she said on the issue that the previous Labour Government were good at policy papers but not so good at implementation. As a humble Opposition Front Bencher, I would not dream of saying that, but I repeat what she said because it might be of interest to people who are following the debate. Of course, there is a lesson there for the Government and all of us concerned with public health. I would like to make this point about Labour's time in government. The decline in public health outcomes did not begin with a Labour Government—or certainly not the last Labour Government. In the early 1970s, the mortality rate among men from the lower socio-economic groups was twice as high as those in the top professional groups. By the early 1990s, that was three times higher.

The then Health Secretary, my right hon. Friend the Member for Holborn and St Pancras (Frank Dobson), commissioned the Black report and we instituted a programme for action, which, as we heard, in some ways fell short. Let us not forget the advances that were made, however: shorter waiting times, many more operations, greatly improved infection control, and better survival rates for cancer and heart disease. Those advances were not just about figures. The most recent Ipsos MORI poll on voter satisfaction with the NHS showed that it had risen from when the Labour Government came in from 55% to 71%—the highest ever reported.

We did make some advances, and some of them specifically related to health inequalities: on cardiovascular disease, the gap closed by almost a third; on cancer, it closed by an eighth, and the trend should be for it to close even faster; life expectancy and infant mortality rates have improved; and last year, statistics showed that the rate of teenage pregnancies was at its lowest for a decade. We put £21 billion into early years education and child care and we have gone from having no Sure Start children's centres in 1997 to more than 3,000. Overall, we raised total health expenditure on public health, as hon. Members said earlier. By the time we left office, we were spending 4% on public health. None the less, the gap remains.

On this side of the House, we accept the PAC report, but there are specifics in the Government's response on which I would like to hear more information. The Government partially agree with the report's first conclusion, which is that the gap in life expectancy is continuing to widen. However, it is not clear what the Government will do to narrow the gap more quickly than the previous Government. The second conclusion relates to cost-effective recommendations. As has been said, there are three specific recommendations: medicine for blood pressure, medicine for cholesterol, and smoking cessation. It is not clear from the Government's response how they will embed those specific targets and strategies into the system that they are building. They talk about the Department embedding health inequalities in the emerging system, but they do not say how. The Government's response states:

> "Duties will be placed on the NHS Commissioning Board to reduce inequalities in access to outcomes from healthcare."

That does not state how. That does not say what the targets will be. That does not say what the penalties will be if those duties are not met.

One of the most important points, which my right hon. Friend the Member for Barking spoke about, relates to GP shortages and the existence, still, of some single-handed GP practices, which are not the best. All the Government have to say on that is:

> "The Government is committed to addressing these issues…following discussions with the BMA General Practitioners Committee."

For anyone who knows Government and who knows the BMA General Practitioners Committee, that does not say very much at all. Again, I would like a little bit more detail on how the Government are going to battle with the BMA on that one.

No. 4 in the conclusions and recommendations section of the report states that

> "GPs fail to focus their attention sufficiently on the more deprived people registered with their practices"—

and I would add, as an east end MP, those people who are not registered at all. Tuberculosis and malaria are big issues in the east end for populations who are largely not registered. I am not against more GP involvement in commissioning in principle, but one of my fears is that it would be all too easy for GPs to commission for the list. It would be disastrous for public health and health inequality to do that in the east end of London. For all sorts of reasons, we have large populations of people who are not on the list, not least because historically people in the east end would just rock up at Guy's, Tommy's or Bart's and get treated—they did not bother to register. We therefore have to understand how, under the new system, the GP commissioners will be able—will be forced, actually—to commission for the population, and not the list.

I read what the Government have to say about making GPs focus more attention on deprived people. I have read it several times and I still do not understand, because if the GPs can make a decent living while not focusing on the most deprived people on their lists, which is what they have done hitherto, what is to make them change their habits?

Another concern is the numbers of PCTs. That will change with the reorganisation, but the fact is that areas with the highest deprivation still do not get the money due to them under the Department's funding formula. We hear about the health premium, which sounds reassuring, but I know, from examining how the education premium will work in Hackney, that it will not leave us a penny better off. I would like to know how a health premium will help to get extra money to areas of high deprivation.

One issue of most concern is that when the PAC report states:

> "The NHS spends 4% of its funding on prevention, although individual commissioners' spending on prevention is not readily identifiable",

the Government respond by stating:

> "The Department does not believe it is for central Government to require Directors of Public Health to benchmark the costs and effectiveness of their public health activity—this will be a local responsibility."

All that is well and good—in Hackney there some activist and committed GPs who came to Hackney because they are committed to fighting health inequality. I worry, however, that it will leave some of the most vulnerable members of our society entirely at the mercy of what their local authority thinks it is able to deliver in public health. I am very concerned about the unwillingness of the Government to benchmark costs and effectiveness and to find a way to promote the simple activities on blood pressure medication, cholesterol medication and smoking cessation.

In conclusion, the Government have said some encouraging things about public health in a general sense, but if there is one lesson to learn from the PAC report it is that having good intentions in a general sense, and even having wonderful policies in a general sense, is not the same as having targeted mechanisms to deliver improved public health outcomes for the very poorest. The Government set a lot of store by a more informed population going online, comparing statistics and choosing—the market, really. In the part of London that I come from, it is not reasonable to expect the poor, the elderly and the very young to universally have access to computers and, at a time of crisis and illness, to be comparing figures and doing sums on their laptop computers.

If the Government are serious about public health, they must first learn from the mistakes of the previous Government. Secondly, they simply cannot leave it to the vagaries of local authorities and the interests of local GP consortia to deliver the overall consistency in public health that will give us the narrowing of health inequalities that we want to see. I can stand on the top floor of my house in Hackney and see the towers of the City of London, but I might as well be in another country. It would be a tragedy if, despite the challenges that the Minister will no doubt tell us about, in one of the wealthiest countries in the world we cannot deliver the mechanisms to narrow that gap. That would be very sad indeed and I await with interest the Minister's response to the debate.

3.59 pm

The Parliamentary Under-Secretary of State for Health (Anne Milton): It is a pleasure to be here this afternoon serving under your chairmanship, Miss Clark, for what I think is the second time.

I will endeavour to answer all the issues that have been raised in the debate. I welcome the report from the Public Accounts Committee. There is no doubt that health inequalities belong to another age and certainly have no place in modern society. Anything that brings this issue to the fore is entirely welcome. As the right hon. Member for Barking (Margaret Hodge) said, health inequalities are terrible, and it is shocking that they exist to such a great extent. I shall deal later in my remarks with the questions that have been raised. If Members wish to intervene, I will be happy to take interventions, but if they hang on, I will get to all their questions in time.

The hon. Member for Hackney North and Stoke Newington (Ms Abbott) was absolutely right to say that lessons should be learned. The problem with government generally, at every level and irrespective of political party, is that people tend to turn up bright-eyed and bushy-tailed but do not take any notice of what has gone before. In fact, the Government and politicians should have the humility to recognise that if things were not achieved earlier, it was not necessarily because of the incompetence of the previous incumbents but because sometimes it is difficult to do something, and this is one area where that applies. As was said earlier, this is not a partisan issue. It is something that we need to act on across the board. The important thing is truly to understand what we are talking about when we talk about public health.

[Anne Milton]

I do not think that, strictly speaking, I have to register an interest, but I should mention that my husband is a public health physician, although not working as a director of public health. It is extraordinary that we have had this discussion this afternoon without yet mentioning the public health profession or directors of public health—members of the public health profession will be somewhat disappointed, because they are pivotal to many of the changes that we want to introduce.

My Government want to improve the health of the poorest most quickly. If we are to achieve better health outcomes, particularly compared with other countries, that must be more than a pipe-dream. My hon. Friend the Member for South Norfolk (Mr Bacon), who is, indeed, my favourite member of the Public Accounts Committee— *[Interruption.]* This is a love-in. He mentioned that it is extremely easy to assert things, but we do not want assertions but real action. That must be a fundamental part of our strategy in health care and in other areas such as housing, education and social care. We believe that the more devolved health system that we are developing will enable a sharper focus on disadvantaged areas across the country.

The Government want to provide far more opportunities for local people and organisations, including statutory organisations, to plan and run health initiatives specifically tailored to their communities. We have set out proposals to reform the delivery of health services in England. They are contained in two White Papers, which I am sure Members are familiar with: one is for NHS services, and the other is for public health. Reducing health inequalities must, and will, be embedded in the reformed architecture that we propose.

Margaret Hodge: I believe that, in principle, all of us would support devolution of power, but I draw to the Minister's attention constituencies such as mine—this is more a constituency point than a general point. My constituency, which is a working-class area, is quite uniform in class structure. The whole public service infrastructure is weak, whether one looks at education, health, public health, GPs or the voluntary sector. If there is devolution to the poorest areas with poor infrastructure, it will be extremely difficult for them to grow from within themselves the necessary capabilities to tackle some of these deeply entrenched problems. There is a role for the centre, through Government, to intervene and try to build capability so that we can achieve an impact. I am concerned that if the whole mantra is about devolution, we will leave large areas of the country with concentrations of poverty and need struggling to achieve the kind of outcomes that she and we would want.

Anne Milton: I thank the right hon. Lady for that intervention. She is absolutely right to mention capacity building. There are areas where there is weakness across the board, and that is certainly something that we need to address. However, it is quite interesting what local areas can do with good leadership and the right levers and safeguards in place. I believe that it was out her way that I visited a scheme in an area with a high incidence of domestic violence. The local authority connected the council's noise nuisance helpline and the domestic violence team, on the basis that where there is noise from neighbours there will probably be violence in the home. After a certain number of calls about a certain address, the domestic violence team is alerted and then goes in—a simple intervention, and a kind of capacity. Some of that is down to the confidence of the people working in the area, some of it is to do with expertise, and some of it—general practice has been mentioned quite a lot—involves putting in incentives to ensure that we get people with the skills that are needed to build that capacity.

I was not going to mention this, but we have made, for instance, a commitment to increasing radically the health visitor work force. One of the modules in health visitor training that we are looking at is about teaching new health visitors how to build capacity in communities. It is a nebulous thing, but it is important that we understand it. There is no doubt that communities, Governments and even empires have struggled for donkeys' years with the question of how to improve public health. The hon. Member for Hackney North and Stoke Newington mentioned that in 1948, the NHS itself was a major public health advance. It secured health services for all, regardless of ability to pay. I make no apology for giving a history lesson. I am not a history scholar, but it is important to take on board the history of public health. At the same time, local authorities were given responsibilities for the health of children and mothers, and for the control of infections. At the same time, they retained their role in planning, sanitation and overseeing the health of their local population through medical officers of health.

In the NHS reforms of 1974, further unification of health services resulted in the transfer of some of those health functions from local government to the NHS, including many that we would recognise as public health functions. I draw Members back to the comments of the hon. Member for Hackney North and Stoke Newington about the status of public health. One of the reasons why the medical profession at that time pulled public health out of local authorities was to do with status, and the clout that they felt they had. Clearly, if one looks at what we are doing now, that was probably a mistake, but there were issues to deal with. The Government have to be clear about how we want the public health profession to look.

That period coincided with advancing knowledge that allowed us to identify the causes of chronic disease and health inequalities. All of those things needed to be tackled as they became apparent. The hon. Member for Blaenau Gwent (Nick Smith) mentioned the Black report, which was published in 1980. It showed that although there had been a significant improvement in health across society, there was still a relationship between class and infant mortality, life expectancy and access to medical services. It is shocking that one could write the same thing today, 31 years on.

That report was followed by the first public health White Paper, "The Health of the Nation", which recognised that there were considerable variations in health by area, ethnic group and occupation. A new public health agenda was set, and it provided a foundation for action over the past 30 years. There has been a great deal of work, with the best of intentions. I do not doubt the previous Government's intentions. As I said in my opening remarks, it is important to have some humility and understand that the intent was there. However, we did not get the results that everyone wanted.

We need a new approach, and that is backed up by recent data from the London Health Observatory and from the Marmot review team, which show that although life expectancy is increasing in all socio-economic groups, it also reinforces inequalities. The data also show the variation in life expectancy at birth between men and women and between local authorities, and the pronounced inequalities even within local authority areas including, for example, Westminster, which has the widest within-area inequality gap, at just under 17 years for men: a man born in one part of the borough can conceivably expect to live almost two decades longer than his friend born a short distance away.

I do not apologise for using figures, because when we talk about health inequalities, people glaze over and are not terribly sure what it is about. They think it is something to do with obesity, smoking or something like that, but the figures tell the real story. The smallest inequality gap for men is in Wokingham in Berkshire, at less than three years, and for women the smallest gap is in Telford and Wrekin, at slightly less than two years—so we all know where to move. It is worth repeating that those are the smallest differences in the entire country, so even in the areas with the best outcomes, we are still talking about differences in years.

It stands to reason that a community in Lancashire, for example, might face different health problems from one in Hackney, where I used to work. The public health White Paper therefore sets out a new way of working. It gives a different flavour to how we view public health, looking at our lifecycles and highlighting the points where we can intervene to make a difference. It is a way of working that shifts power away from central Government and into the hands of communities.

We had a short discussion about devolving power, and it is a brave Government who devolve authority for something for which they will be held responsible in the end. That is why I disagree with my hon. Friend the Member for South Norfolk, who said there has been a yo-yo between local devolution and centralised power; there has not. All Governments like to centralise things and keep control, because at the end of the day at a general election they will be blamed or otherwise for what has happened. It is quite brave to devolve power, but sometimes it is the right thing to do.

The new way of working will enable local areas to improve health throughout people's lives, reduce inequalities and focus on the needs of the local population. The White Paper also underlines the priority we have given to tackling inequalities in supporting the principles of the Marmot review, which is important. The White Paper recognises the value of an approach that sees the importance of starting well, even before a child is born. Life chances are set well before someone pokes their head out into the world.

The new body, Public Health England, will have an important role. It will bring together what I suggest is a rather fragmented system and will span public health; it will improve the well-being of the population, targeting the poor in particular; and it will protect the public from health threats, which have not been mentioned, but they are an issue. There are inequalities in public health threats and, without a doubt, there are inequalities worldwide. Public Health England will need to work closely with the NHS, to ensure that health services continue to play a strong role and that NHS services play an increasingly large part in that mission. There has been a tendency for NHS services to see themselves simply as services to cure an immediate problem, rather than as part of a wider, more holistic approach to improving individuals' health.

Ms Abbott: The Minister spoke about enabling communities, which is one of those things that sound very nice. How could one disagree with it? My right hon. Friend the Member for Barking made a point about how social infrastructure in some communities has never been robust, but there is also a point about the social capital of some of those communities. Many of them are simply not socially homogenous. Representing Hackney, my fear is that enabling communities is all well and good, but it will enable the parts of the community with more social capital and confidence, who are generally noisier, at the expense of socially excluded groups.

Anne Milton: The hon. Lady is right to raise the issue. That is what has happened. On a more general point, cherry-picking is a problem. It is very easy to get certain people to lose a couple of stone—*[Interruption.]* Actually, sometimes it is quite hard to get them to lose a couple of stone and go down the gym. To be rather crass and non-specific, it is easier to get the middle classes to go to the gym and to eat a better diet.

The hon. Lady is absolutely right to highlight the fact that some areas are very disparate and disconnected. I am an optimist, and I believe that there is social capital. Central Government are very poor at delivering in local areas. I have worked in the most deprived part of the country and lived in the most affluent, and there is a world of difference. It is extraordinary to see—they could be different planets. Central Government is a clumsy tool to deliver something that is very difficult to bring about on the ground, so we must ensure that we have levers and build social capital.

I mentioned health visitors as an example, and a universal health visiting service is extremely important. When we think about hard-to-reach communities, we forget just how hard to reach they are. For some people, the only interaction they have with any health or social service is when they have their baby. Their kids might not go to nursery school or might frequently play truant from school, and they are extremely difficult to get hold of. To be honest, a universal health visiting service is probably the single most important measure we have announced, because it will get hold of those families who are so difficult to reach.

There has been talk of increased health funding. I will not deny that the previous Government put a significant amount of money into health, and I welcome the rather cross-party approach in this debate to acknowledging that that did not always produce returns, certainly not in public health. One problem was that the budget was not ring-fenced, but it will be ring-fenced now. I will return to some points made on ring-fencing and localism and the tension between them. It is important that local government be given the responsibility and freedoms to make a major impact on improving health, backed by ring-fenced budgets.

[Anne Milton]

The right hon. Member for Barking gave an interesting example about the ineffectiveness of one-to-one smoking cessation programmes. More generally, she said that it is extraordinary that we do not drive or back up with evidence what we do in health, which to most people is a science-based discipline with science-based professions. I may have a higher opinion of local government than my hon. Friend the Member for South Norfolk. I think that local government knows a lot about its local area and is often better at dealing with evidence than health services are.

The size of the ring-fenced grant will be important, because when the money was not ring-fenced it was an easy pot from which to pinch. The trouble is that the tabloid newspapers—I hesitate to mention one in particular—do not come out screaming about the poverty of the public's health, although they come out screaming when services go. It was too easy to pinch the money, which is why it needs to be ring-fenced. It must also be based on relative population health need and weighted for inequalities, so that the areas with the greatest need will get the most.

Directors of public health will lead on action to address health inequalities. Public health physicians have done tremendous work. The public health observatories have done fantastic work, but they have tended to work in a cupboard and do not feel that they are getting their message across. Locating them in local authorities will bring together the threads that influence health, not only health care itself, but other determinants such as housing, transport, employment—the causes of the causes of poor public health, if you like.

There will be financial rewards for progress, and greater transparency so that people can see the results achieved. The new health premium will provide an incentive to reduce health inequalities and reward progress. That does not necessarily mean cherry-picking the easy cases. The programme will be designed to reward instances where progress has been made, and those places that have seen the greatest impact in areas with a poverty of outcomes in reducing inequalities. Almost by definition, those will be the areas where health inequalities are greatest.

Margaret Hodge: I understand the thinking behind the incentives and rewards, but my point was about the other side of that coin. Will there be penalties for those high-need areas with huge health inequalities that fail to perform? Although it is good to reward the good performers, that does not help people living in communities where there are bad performers. What are the Government's intentions on that point?

Anne Milton: The right hon. Lady is right to raise that point. I was trying to stress that the healthiest areas will not necessarily be those that receive the most money. In theory, those areas that start from the lowest base should have the greatest opportunity to get those rewards.

Perhaps I can connect the right hon. Lady's point with that made by the hon. Member for Hackney North and Stoke Newington. This debate is slightly premature because a consultation on the outcomes is currently under way, and we are also looking at the finances, at how much each local authority will have and at the size of the health premium. We are acutely aware—as I am sure are all Opposition Members—of the problem of unintended consequences.

Let us take an obvious example of A and E waiting times. It is right to want people not to wait in A and E for very long, and indeed they did not. If that is given as a target, the health service is good—as are most professionals—and it will fulfil that target. It will get people out of A and E. However, what was never measured was whether people got the care they needed. Did they get better or were they just transferred up to a ward sooner than they should have been? It is important to look at that. To some extent, this matter is a work in progress and we are keen to learn and listen to what people have to say. It is important not to have perverse incentives but to put in place the levers that we need to produce the right results in areas where there is possibly poor capacity, or areas that need building up or contain inequalities.

In some areas there are difficult cultural issues. To return to the issue of domestic violence, sometimes those working in the health service will collude with some of the men who perpetrate that violence. It gets very complicated and we need a system that takes account of all those issues.

Nick Smith: I commend the Minister's emphasis on the directors of public health. The director of the Aneurin Bevan health board in south Wales is terrific and I will meet with her in a few weeks' time. She has a good action plan together with her comparable officer in the local authority, and I hope that they will build a good partnership working together on public health. Will the Minister let us know how negotiations are going with the British Medical Association, and whether as part of the contract with GPs, public health will be given enough attention and emphasis?

Anne Milton: I will give a politician's answer and say that we are currently having a constructive dialogue with the BMA. I cannot give the details of that and I am not personally involved. However, it is important to get that matter right, and I am sure that details will emerge. The Health and Social Care Bill is currently in Committee, and some of the details about how the mechanisms will work have been considered during that process. The negotiations are ongoing, and we will let hon. Members know.

Ms Abbott: Everybody always has a constructive relationship with the BMA.

Anne Milton: I was not being ironic.

Ms Abbott: Neither am I. My point is that some parts of the GP profession may be resistant to hearing anything from a local authority director of public health because they might see that as local authority bureaucrats telling them what to do. There may be some parts of the GP profession that think they know what public health is. They think that it is about injecting people and about cash money per hundred. It must be clear in the contract negotiation that GPs are signed up to public health in the sense that we in this debate understand it, rather than in the way that some of them have historically understood it.

Anne Milton: I am sure that those GPs are few and far between, but it is important to acknowledge that point. I say to the hon. Lady that the world just changed. The NHS has a key role to play in helping to reduce inequalities that affect disadvantaged people, and GPs are part of that. I know that there has been a lot of debate and discussion about the issue, and bringing decision making closer to home for GPs will be an extremely important part of levering-in better commissioning and focus on public health. Services are often commissioned because people's health is poor. GPs will be faced with the consequences of poor public health every day, and they will commission services to deal with those consequences.

The White Paper set the proposals for the establishment of the independent national health service commissioning board and the new NHS outcomes. The proposed outcome frameworks for the NHS and public health will have the promotion and protection of equality at their heart. That aim underpinned everything when the frameworks were developed and it is no less relevant now.

As the hon. Lady said, the Health and Social Care Bill introduces specific duties on health inequalities that are enshrined in law for the first time. I share her cynicism a little. Governments often enshrine duties in law, but what matters is who holds them to account. The Secretary of State will be held to account, but Parliament has a role. Although this debate is not attended by many people, it is part of that process of holding the Government to account.

Mr Bacon: I was interested in that exchange and the intervention by the hon. Member for Hackney North and Stoke Newington (Ms Abbott). I draw her attention to the evidence taken by the Committee on Tuesday morning from the GP running the consortium in Essex. Together with the chair of the Royal College of General Practitioners, we were exploring the fact that there is great variation among GPs that cannot all be explained by the health variations and socio-economic conditions one would expect.

It was acknowledged that there are serious and challenging questions that need to be put to GPs. The GP from Essex is involved with teaching and improving the capacities of the consortia, and he has conversations with other GPs as he goes around his patch to look at the variations. I asked him how important it is during those conversations that he is also a GP and a clinician. He said, "It is essential. I would not be able to have the conversation otherwise." I listened to the intervention by hon. Member for Hackney North and Stoke Newington with some interest. When that conversation between the director of public health and the GP takes place, the question will be whether the GP is listening.

Anne Milton: There is a question of whether the GP is listening and of whether the levers exist to make the GP listen.

This is a nebulous point to make, but I have to make it. Improving public health is about changing a mindset. We always underplay the importance of not only ministerial but parliamentary leadership on issues such as this. I am talking about a shift of focus on to public health, ensuring that the professions involved in health service delivery and the professions involved in the delivery of other services that affect people's health receive a clear message that that is now a priority for the Government. When we talk to people who work on the ground, particularly at senior management levels, we see that that message is heard very clearly by them; it does filter down. Ministerial leadership is required, as is leadership from all of us on our individual patches.

Nick Smith: Does the Minister anticipate growth in the number of GPs in areas of multiple deprivation, which therefore have high levels of health inequalities? That has emerged from this afternoon's debate as one of the big issues that need to be addressed. How easy will it be for practice-based commissioning to allow for growth in GP numbers in those areas, which are suffering the greatest health inequalities?

Anne Milton: As many people have pointed out—the Public Accounts Committee report focused on this—access to GPs is a major issue, and not just in urban areas such as Redcar but in rural and isolated communities. I will come on to that.

Subject to parliamentary approval, because the Health and Social Care Bill is in Committee at the moment, the NHS commissioning board and GP commissioning consortia will be duty bound to have regard to the need to reduce inequalities in access to and the outcomes from health care. That does not make it happen, but the duty is in the Bill and will be important. GP commissioning consortia will have to keep on improving the quality of their services, reducing geographical variations in standards. To increase the democratic legitimacy of health services, health and well-being boards will have elected councillors to represent the views of local communities.

To be truly successful, we need to be sure that the most vulnerable groups experience the most pronounced benefits. That is an obvious thing to say, but it is important. We are therefore driving ahead with the "Inclusion Health" programme, to focus on improving access and outcomes for the most vulnerable groups. Those are often the groups of people who are not registered with GPs or who are homeless. It is important that the really hard-to-reach groups get that additional focus, because they are not necessarily swept up by the other things that we are doing. We need to keep an eye on that.

I apologise if I am incorrect, but I believe that the life expectancy of the average Traveller is 59 years. The figures for the most excluded groups are truly shocking. Therefore, I fully welcome the Public Accounts Committee report and its recommendations. They were formally responded to in the "Treasury Minutes" dated 16 February. I know that many questions remain, but those minutes give a flavour of how we propose to embed the recommendations in the reformed health care system.

We need to ensure that the GP-patient relationship is as effective as possible. If we are not talking about a family who perhaps have contact with health care services only when they have a baby, the GP is the most important point of contact. On average, families with children under the age of two will visit their GP eight times a year. That is a massive opportunity to put additional emphasis on information and action to improve the health of families. We want to renegotiate the GP contract. The idea is to ensure that disadvantaged areas get the right level of access to GPs. The way to do that, as has always been the case, is to provide incentives to make it happen.

[Anne Milton]

GPs need to improve the health of vulnerable people, not cherry-pick the easiest ones at the top of the pile. They need to encourage the uptake of good-practice preventive treatments. Changes to the quality and outcomes framework prevalence adjustment reward practices in a fairer way, particularly because deprived communities often have a higher prevalence of many of the QOF conditions.

I urge my hon. Friend the Member for South Norfolk to exercise some caution when talking about single-handed GP practices. His point was well made, in that practitioners who practise independently—single-handed—do not necessarily have the best outcomes, but in saying that, we should not exclude the very good single-handed practices. I saw one such practice recently. The GP there has recently been accredited for training and was serving his community absolutely brilliantly.

We have also proposed that at least 15% of the current value of the QOF should be devoted to evidence-based public health and primary prevention indicators from 2013. That answers a point raised by the right hon. Member for Barking. The funding for that element of the QOF will be within the public health England budget.

As the Public Accounts Committee report says, the most cost-effective interventions to improve life expectancy have been developed. Now we need to ensure that they are rolled out as far and as effectively as possible. The report of the review by Professor Marmot has helped us to understand the steps that we need to take, and we shall take them. The public health White Paper adopts the review's framework of lifelong attention, which will mean a truly cradle-to-grave approach.

In thinking about public health, we must not forget that that is not just about physical health. It is also about people's mental health and well-being. We need only consider some of the difficult issues that surround young people when they are growing up. We can consider the incidence of sexually transmitted diseases. In the last year for which there were figures, there was a rise of 3%. There has been good progress on unwanted pregnancies and abortions. There has been some progress on unintended conceptions among under-18s, but there are still 36,000. There are still 189,000 abortions every year, of which one third are repeat abortions. We can consider the figures for drinking and young people and the fact that 320,000 young people take up smoking every year. We have a lot to do with regard to young people's health.

We can split health services into NHS services and public health. We can split public health further, into preventive work and curative work. What do we do when people have started to smoke or drink or have had sex when they should not have done? Then we can consider how to prevent that. There is no doubt that we need to do a great deal to ensure that young people have the skills, the self-confidence and the self-esteem that mean that they are equipped to make decisions about the difficult issues that they face.

Mr Bacon: Before the Minister finishes speaking, will she give way?

Anne Milton: I have not quite finished yet, but I will happily give way. I will not keep my hon. Friend long!

Mr Bacon: I mistook what the Minister was saying for her peroration; it was the dulcet way in which she was speaking. On single-handed practices and particularly because she mentioned mental health, I want to say for the record that I do not doubt for one minute that there are some superb single-handed practices. The point that we made in our report, at paragraph 13, was this:

> "A contributory factor to low levels of GP coverage has been the presence of single-handed GP practices."

I was also making the point that people generally work better together, and it is better for someone's mental health as a worker if they are working with people rather than alone. I speak from experience, having worked in a large agency in London with 200 employees and then having set up my own business and worked solus. What surprised me most—apart from my clients, of course—was the amount of contact that I had in the workplace, which was much lower. That was quite an unexpected aspect of it. All other things being equal, surely it must be better for GPs to work in groups than to work alone. That is in addition to the effect that it would have on overall levels of coverage.

Anne Milton: My hon. Friend is right to say that it is better to work together. Peer support is important, as is peer review. The identification of children at risk in A and E is important, but it is often junior paediatricians who see such children when what is actually needed is access—it can be by phone—to someone who has been doing the job a lot longer so that they can run through with them the signs and symptoms that they have seen at A and E. That sort of support is invaluable. A single-handed GP might well miss out on that. Where there are good single-handed GPs, we should encourage them to work together—not necessarily in the same practice, but perhaps in the same building. What matters to me, and my hon. Friend mentioned it earlier, is not how things happen, but doing what works.

The right hon. Member for Barking spoke about evidence, which is crucial. She rightly highlighted the issue of cancer, which was the subject of a recent Committee report, and the need for early diagnosis and early intervention. I accept what the hon. Member for Hackney North and Stoke Newington said about not everyone having access to computers or other fancy communications equipment, although most people can text these days, so there other ways of communicating. However much the Government do and whatever is done locally by GPs on early diagnosis, at the end of the day, we rely on people going to the doctor with their symptoms.

For instance, when it comes to bowel cancer, we are not very good at talking about what is in our knickers or underpants, and men are particularly bad at it. The problem with bowel cancer is that men do not go to their doctor when they have symptoms. We need to get the information out there, but improving the public's health is largely about giving people the information, levering them into settings and giving them lots of opportunities to do so.

The right hon. Lady said that some things are much easier to do than others. For instance, it is easier to do things on which figures can be collected. However, smoking is still difficult to deal with. We and, I think, Canada perform better than almost any other country. We have made huge progress on that front, but there is a great deal more to do.

I have probably touched on most of the matters raised during our debate, but I wish to say a final word about public health. Public health goes back a lot further than people might think. The first report into the health of the working man was the Chadwick report of the 1840s. Many remember John Snow and the Broad street pump in 1854, and the outbreak of cholera that killed 500 in the first 10 days. Then we had the London sewers in 1858 and the Royal Sanitary Commission of 1871. Interventions in public health go back a long way, but it is important to remember that most of them derived from local authority action. Public health is not just about the health service.

I sit on many committees, including two Cabinet sub-committees—one on social justice and one on public health. The one on public health is particularly successful. It brings all Departments together because it recognises that public health is everybody's business. It is a transport issue, an environment issue, a local government issue, and an education issue. It spans all the Whitehall Departments. It therefore has to span all the ministries. One of the challenges for the Department of Health is to ensure that every Department is taking whatever action it can to improve people's health.

I know that the matter is well suited to local government. Everyone loves to hate the local council, particularly at this time of year, but they are complex organisations, dealing with a multitude of things and they know the local community well. I want to get to the day when, instead of seeing local councillors in the council chamber arguing about whether Mrs Smith at 17 Acacia avenue puts an extension on the back of her kitchen, they are saying things such as, "It's a disgrace that the people who live in your ward live 17 years longer than those in my ward." That would be a real success. I look to local councillors to take up the baton and to fight for public health in their areas.

We know what we need to do in the short and long terms, and we know that it can be done. Indeed, some disadvantaged areas are already narrowing some of the gaps in health outcomes. I know that our proposed reforms will put incentives in place to drive delivery at a local level, allowing local authorities and the NHS to work together.

There are health imperatives and there are financial imperatives, but there is also a moral imperative. We in Government can spend a lot of time legislating and making regulations. A lot of things are going on at the moment; we have a very difficult economic climate, and foreign affairs are now exercising us. We have to remember sometimes that there are strong and ever-present moral imperatives to take action and to improve public health.

4.46 pm

Margaret Hodge: I thank both Front Benchers—the Minister and my hon. Friend the Member for Hackney North and Stoke Newington (Ms Abbott)—for their contributions, and I thank you Miss Clark for chairing our debate so well. It is the first time that I have heard the hon. Member for Guildford (Anne Milton) speak as Minister. I am sorry that it is always so difficult to keep other Members in this place on Thursday afternoons. None the less, it has been a quality debate, and I am grateful for the remarks made by hon. Members on both sides of the Chamber. We will return to the subject because, as the Minister said, it unites parties and is of huge importance to the people. I look forward to being able to say, "And we are making progress."

Question put and agreed to.

4.47 pm

Sitting adjourned.

Westminster Hall

Tuesday 8 March 2011

[Mr Gary Streeter *in the Chair*]

Young Offenders

Motion made, and Question proposed, That the sitting be now adjourned.—*(Jeremy Wright.)*

9.30 am

Paul Maynard (Blackpool North and Cleveleys) (Con): It is a pleasure to serve under your chairmanship, Mr Streeter, and it is a great honour to speak about this important issue. This debate is informed by my visit during recess week to Barton Moss secure children's home and Hindley young offenders institution. I pay full tribute to their work and to the obvious dedication and humanity of all the staff whom I met in both institutions. The Prison Reform Trust has also been invaluable in helping me think through what I intend to say.

It is fair to say that in few areas of public policy is the research more voluminous, more detailed or more comprehensive than in youth justice. There is always one more report to be read, one more document to be studied in detail or one more set of figures. I welcome the fact that the coalition Government and the Opposition have stressed their commitment to the principle of early intervention during the foundation years from nought to five, but I am concerned that a cohort of young people out there are already on the conveyor belt to crime, as it has been termed.

In preparing for this debate, I was pleased to reread the pamphlet issued in 2002 by my right hon. Friend the Member for West Dorset (Mr Letwin) that first set out the idea of a conveyor belt to crime. I was working in the Conservative research department when it was published, and it is a useful reminder that those were not the wilderness years we often felt them to be at the time. The pamphlet indicated to me that the conveyor belt does not stop at age five but runs right through to age 17.

Although much good work is being done on early intervention and preventing children from stepping on to the conveyor belt to crime, we must recognise that there is a significant policy challenge in what is almost a lost generation—those aged between four and 17 who may already be on that conveyor belt and who have already missed the benefits of Sure Start, family nurse partnerships and other initiatives. It was stressed to me at Barton Moss secure children's home that the four to 10 age group is particularly important for policy makers to grapple with. We concentrate on the foundation years and the 15 to 18 age group, but a great deal does not always happen in between. I urge Government and think tanks to address the four to 10 age group.

Whenever we discuss criminal justice, we must ask big questions. What is the criminal justice system for? What is the relative balance between punishment and rehabilitation? Crucially, where is the victim in all this? Although it is tempting to embark on a great philosophical exploration of criminal justice, I will focus on a slightly narrower field of play, starting from shorter sentences.

I was struck when one of the professionals whom I met the week before last said to me, "Well, if they are in for eight weeks, at least we can sort out their teeth." That might seem a slightly odd thing to say—surely the purpose of incarceration is not to address issues of oral hygiene—but the point is much more fundamental. Many of the people who enter the youth justice system have had chaotic lifestyles; many have never seen a dentist or engaged with health services; and many have dropped out of the education system. Even a short sentence can offer a brief opportunity to address some of those underlying problems.

It might be argued that many in the youth justice system have experienced a perfect storm. According to the Prison Reform Trust, 76% of those in the criminal justice system have an absent father, 51% come from deprived households, 39% have appeared on the child protection register, 28% have witnessed domestic violence, 14% have a parent with a physical, mental health or learning disability, 48% have been excluded from school, 31% engage in substance use, 20% engage in self-harm, 17% have a formal mental health diagnosis and 11% have attempted suicide.

I read out that litany not merely to emphasise the relative disadvantage faced by those in the youth justice system but to make a more fundamental and frightening point. The structure of our youth justice system seems to make it more likely that the most troubled in our society will be given custodial sentences, because their needs are thought to be far too complex to be dealt with in the community.

Mr Lee Scott (Ilford North) (Con): I congratulate my hon. Friend on securing this important debate. Does he share my concern that some young people suffering from Asperger's syndrome do not necessarily get the treatment and diagnosis that they need, but are simply put down as mischievous, badly behaved troublemakers?

Paul Maynard: My hon. Friend anticipates much of my speech. We certainly lack a fundamental ability to assess the needs of young offenders when they enter the youth justice system and determine how best to address those needs. They therefore end up in the secure estate without having been assessed properly, because the tools are not present in the system, which is a great worry that I shall discuss later. The conveyor belt appears to be constructed almost to minimise effective exit points before reaching the secure estate. That should be of great concern, because disadvantaged children face particular problems in both the courts and custody.

It goes without saying that reoffending by juvenile offenders is extremely high. Some 75% of those released from custody and 68% of those given community sentences or other disposals in the community reoffend within a year. Why is that? Undoubtedly, some of them commit crimes and are bad people, but for a significant number, the ineffective screening process and lack of appropriate tools for identifying behavioural and communication difficulties almost set them up to fail.

I welcome, for example, the Minister's proposed amendments to the Bail Act 1976, which would remove the option of remand for young people who were unlikely to receive a custodial sentence, but I would also welcome an assurance from him that the alternatives will adequately protect vulnerable children. When I visited Barton Moss

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secure children's home, I was struck by the fact that many children are remanded there on bail for their own protection and welfare, even though they might not end up receiving a custodial sentence. There must be no presumption against a custodial remand.

Equally, when offenders reach the youth court, they find disadvantage once again. Little is done to screen young offenders for mental illness, learning disability or speech, language and communication difficulties. It is no use imposing a disposal of any sort if the young person cannot comprehend the punishment or interpret what is occurring to them in what can be a very off-putting setting. I admit that I have never visited a youth court, but I can imagine the feelings of a nervous child entering that formal situation, uncertain of the process and of what is occurring.

I welcome the previous Government's introduction of a witness intermediary scheme to help witnesses with speech and language problems or communication difficulties better to present their case in court, but I must ask why such assistance is not also afforded to defendants suffering from similar problems. Does a child's impairment increase the possibility of custody, because it makes it more likely that they will fail to comply with a youth rehabilitation order, or because there is a lack of an appropriate youth justice programme that might enable compliance? If so, it is a damning indictment of the system. Is it really the aim of our society that eloquent children should be more able to plead for one last chance?

When children get to custody, they have what is called the Asset form, which is the primary document for interpreting children's needs. Those forms are critical to the development of appropriate care and sentence plans, but they are structurally flawed, because they fail to identify speech, language and communication difficulties. They impair identification of individual problems and make it harder to address those difficulties during the time in custody, however short or long it may be. The inadequacy of Asset means under-reporting of those problems, and I believe that they are taken insufficiently seriously within public policy circles.

We should recognise that, thanks to Lord Bradley's report, improvements have been made to the way in which mental health is addressed, but the situation is by no means perfect. Indeed, it is a success only relative to the absolute failure in terms of other needs. The consequences of that failure in screening and appropriate identification are severe. As I have said, we are setting young offenders up to fail, which manifests itself in the rapid increase in the numbers of young offenders who are returned to remand for breach of conditions. For example, someone might be given what is still called an ASBO—an antisocial behaviour order—and told that they cannot enter a particular road. However, their grandmother might live on the other side of that road and, if they cross it to see her and somebody spots them and reports them for it, that is a breach. It might get them sent back to a young offenders institution, but it seems to me to be a technical breach. It might even be that the young person cannot comprehend that to get to their grandmother's house, they would be breaching an ASBO in the first place. If they do not receive appropriate care and an appropriate sentence plan, and if they have a basic lack of understanding of the process in which they are engaged and are incapable of engaging with the interventions provided for them, we are setting them up to fail.

The story is the same when they get to custody. Nick Hardwick, the chief inspector of prisons, has said:

> "Prisons can offer a short window of opportunity for the majority of young people who end up in custody...That is an opportunity that must not be wasted."

I am concerned that it is being wasted in some instances. For example, it is critical that children who might have dropped out of the education system and have not acquired the basic skills of literacy and numeracy are re-equipped with them, if they are to fulfil a purposeful life once they are released. However, it is clear from written answers provided to me by the Minister that the number of such young people achieving literacy qualifications dropped from 2,104 in 2006-07 to just 1,350 in 2009-10. Similarly, the number completing numeracy courses dropped from 2,680 in 2006-07 to 1,813 in 2009-10. I doubt that that is simply because of a decrease in the numbers in those institutions. There is clearly something more structural going on, and I would welcome some more information on why it might be occurring.

Mr David Lammy (Tottenham) (Lab): The hon. Gentleman is making a good contribution. On his last point, does he recognise—I say this as a former Minister with responsibility for skills and training in prisons—that, although many young people are making progress in our prisons, we were not able to introduce schemes such as Building Schools for the Future in prison greatly to improve facilities? Does he also agree that it is important for young people on short sentences that their integration back into, usually, further education in the community happens in a real way?

Paul Maynard: I thank the right hon. Gentleman for that contribution, which raises a wider point about who owns the child when they progress through the criminal justice system. One of my concerns is that when someone transfers from their home local authority to the secure estate, their home council effectively washes its hands of them. When they have gone through pupil referral units—or educational diversity, as we call it in Blackpool—and then find themselves in a young offenders institution, it is almost like starting again. They are then released and, yet again, they start again when they are returned to their local authority. Again, there is a lack of cohesion.

I should also like to deal with the issue of the prison escort records of young offenders at young offenders institutions. I have been informed in a letter from the Ministry of Justice that the initial assessment of a prisoner's language skills is made by the custody manager who completes the escort record, but there has been no national review of the quality or accuracy of those reception language assessments. There is no obvious evidence of the use of a tool that is approved by the professional bodies.

I do not believe that in custodial settings we have enough speech and language therapists. Speech and language intervention at Red Bank secure children's home reduces the need for physical restraints from two to three times a day to just two times a week, but only 15% of youth offending teams have access to speech and language therapy. I am particularly concerned that the changes to prison health care and the re-assignment to the Department of Health risk worsening prison health care. I am concerned that a primary care trust in which a young offenders institution is located now has to take responsibility for all the young offenders in that institution. It is causing problems in relation to securing funding for the health care within that institution. Will the Minister comment on that and explain why the change has occurred and how he hopes to protect those in young offenders institutions who are in need of specialist health provision that PCTs now appear reluctant to fund?

We need to provide more exits in the community from the so-called conveyor belt. As I have said, I welcome the fact that we are trying to avoid the use of remand. I support the concept of local authorities bearing more of the burden of responsibility for the cost of youth justice in their community—a child from Blackpool does not cease to be a child from Blackpool when he is in Hindley young offenders institution—which was an idea raised by the recent Green Paper. Payment by results is another frequently cited intervention, but I am not sure that it is fully understood yet. I would welcome some reassurance that the schemes on offer are not merely a case of helping the low-hanging fruit first to demonstrate that the process works, but are focusing on those who are hardest to help.

Lord Bradley's review, which I mentioned earlier, recommended that all youth offending teams have a suitable, qualified mental health worker with responsibility for making appropriate referrals. Child and adolescent mental health services are a particularly malfunctioning part of our health care system. The likelihood of CAMHS taking on a 15 to 17-year-old who presents for the first time with mental health problems is, I am afraid, pretty close to zero. Their view is that they will have to wait to be dealt with by the adult mental health care system. Structurally, that cannot be what is intended by any Government of any political persuasion. A child and adolescent mental health service has the word "adolescent" in it, which surely applies to the 15 to 17 age group.

I should also like to focus on the issue of transitional services for children entering adulthood, a period for which, in my view, there is no real age limit, because young people develop into adults at different ages. The issue will be covered in the forthcoming special educational needs Green Paper, but I hope that, just as early intervention was the public policy fad—if I may call it that—of the past decade, the transition phase will become the fad of the coming decade. It has been sorely neglected, which has had a damaging impact on the quality of public policy in this country.

We also have to consider the impact of arrangements for the release of young offenders. It is not acceptable to just hand them a travel warrant and £46.75 upon their release. I have suggested to the Minister that we increase that sum, because it is not enough. When I market-tested that with the professionals I met, it was not supported as much as I thought it might be. The point was made that, if we give them more money, cash in hand, we cannot control what they spend it on. Those professionals would far rather focus on handing out vouchers to meet the specific needs that those young offenders will face in their first 48 hours or so, rather than a cash payout.

Tom Brake (Carshalton and Wallington) (LD): The hon. Gentleman is making a thoughtful contribution. Does he agree that one of the most useful things that can be given to young offenders when they leave an institution is somewhere to live, and that ensuring that they have secure accommodation is one of the best ways of ensuring that they do no reoffend?

Paul Maynard: That is perhaps an example of our target culture. We measure the number of young offenders on release who have accommodation available to them, but we do not measure the quality or sustainability of that accommodation. There could be an address to go to, but that might be someone's sofa. For the purposes of ticking the box, that sofa is regarded as a long-term solution, and I do not believe that it always is.

I would like to touch briefly on the issue of doli incapax, which is the pretentious term for considering the age of criminal responsibility. This is something to which I have given a great deal of thought, because most in the criminal justice system focus on the need to raise the age of criminal responsibility to the age of 14. I have thought closely about this. There is clearly a humanitarian instinct lying at the root of that proposal. My concern is that what we are actually discussing is nomenclature, rather than outcomes. I realised at Barton Moss that many of the children it looks after in that setting—that secure setting behind a locked gate—are not there because they have entered the youth justice system. They are there because their councils have put them there for welfare reasons. If the age of criminal responsibility is 12, and we allow councils' welfare departments to look after those children, the end result might be no different. I have a severe concern that, by leaving that to a council's social services welfare department, we will lose the many safeguards that are in the criminal justice system to ensure that the law is adhered to. As we all know, in tragic case after tragic case, social services are becoming more risk-averse in how they treat young people. That well-meaning recommendation might well have perverse consequences and I would argue strongly against it.

It is true that we should celebrate every small progress that is made by a child. Merely attending two consecutive appointments can be a triumph for some. We have to stress, however, that the youth justice system is never the place to try to address all of society's ills, as tempting as that might be. The youth justice system is perhaps a place that can be used to catch up and to address that which has been overlooked, but we have to start, as a nation, to accept that more must be done in the community. I realise that the Minister is shifting the Youth Justice Board back in-house. I would welcome an assurance from him that youth justice will remain the responsibility of a separate unit, within the Ministry of Justice, dedicated solely to the under-18s. The Youth Justice Board has issued many useful reports that have underlined the inadequacies of various stages of the youth justice process, and it would be a great shame to lose that independent voice. It is still important that, whoever we are and whatever our organisation, we still speak truth unto power. I hope that the civil servants responsible for youth justice do not recoil from speaking truth unto the Minister, where that is required.

Equally, if all exit points from the conveyor belt to crime, which I keep referring to, are bottlenecked around the secure estate, that risks still being a dumping ground for all the children whose problems cannot really be accommodated within society at the moment. In my

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view, they should be accommodated within society. We should be able to cope with those who have complexity of need. It is a damning indictment of this country that, to address those problems, we have to send children to a secure estate, lock them away from society, and say that society does not want to have to deal with those problems.

I have been appalled by some of the populism I have heard in political debate about criminal justice in this House. It deeply disappoints me. The dignity of the individual is compromised by many of the conditions in the youth justice system. The victim, as well, fails to receive satisfaction. Satisfaction is the crucial word, because punishment has two elements: retribution and satisfaction. Retribution comes in the form of incarceration, which is a deprivation of liberty and freedom. That is where the victim receives recompense for the crimes done to them. Satisfaction, however, is just as important, because satisfaction is where there is recompense for the wider community whose laws have been offended. The key part of satisfaction is that we reduce the likelihood of reoffending—when a young person leaves the youth justice system, they are less likely to reoffend, and more likely to have a purposeful life in the community whose laws they offended in the first place.

If our youth justice system makes it more likely that the most vulnerable receive the harshest punishments, we, as a nation, must examine our consciences. Community solutions, at the appropriate moment, are the way forward. Equally, I recognise that to be done properly, those solutions must be intensive, with the costs up front. They are expensive, and I recognise that, but as the Audit Commission report in 2004 made clear, if only one in 10 of those who went into the youth justice system was catered for properly, the savings for the public purse could be as much as £100 million. We are back to the old argument that early intervention saves money, which requires ambition on the part of Ministers and the bravery to take decisions where the costs are up front, but the benefits are long term. I urge the Minister to continue on his well-meaning path towards trying to improve the youth justice system.

9.56 am

Mr David Lammy (Tottenham) (Lab): I am grateful, Mr Streeter, for the opportunity to contribute to the debate. I congratulate the hon. Member for Blackpool North and Cleveleys (Paul Maynard) on a very good and effective summary of the state of youth justice.

I would like to associate myself with a number of the hon. Gentleman's remarks, particularly in relation to the important role that now has to be played by local authorities on this issue. I, too, visited a young offenders institution just a few weeks ago: Feltham in west London. It was my fourth visit to Feltham in the 10 years that I have been the Member of Parliament for Tottenham. I visit constituents there from time to time. That keeps me in touch with them and in touch with some of the most challenging youngsters in my community. Reflecting with prison officers and chaplains, some of whom I have got to know, it is clear that the cohort of young offenders from Tottenham and other areas of north London are now in Feltham for more serious crimes than they were on my previous visit a few years ago, and on my visits before that. The nature of violent crime in particular, and what young people are being sentenced for, is deeply worrying, and is reflected in newspaper headlines about knife crime and other crimes.

The hon. Gentleman touched on some concerns that are really important if we are to address this issue. What happens when a young person leaves an institution such as Feltham? Reflecting on my experience as the Minister with responsibility for skills—and, therefore, offender learning in prison—for two years in the previous Labour Government, I am clear that we were able to improve education in prisons. If serving a sentence of more than six months in our prisons, a prisoner will now take not just level 1 and level 2 numeracy and literacy, but training, hopefully, in a trade that can be taken beyond prison. That is the case now. Lots of young men, in particular, are leaving prison and graduating with certificates to show the skills that they have acquired.

I would like to stress two points. We have not been able to renew and improve education facilities in our prison stock in the way that must be expected in the 21st century. There are jobs and opportunities out there, but if prisons, in partnership with industry, cannot provide the latest technology and training for those young people, whether in respect of construction or cabling for the information technology industry, the skills that they come out with will be virtually worthless when they compete with young people who have not been held at Her Majesty's pleasure. That is something that we need to address.

A drive to ensure that industry works in partnership with our prisons to renew facilities and to support the provision of facilities in young offenders institutions is necessary. We did not see the kind of private finance initiatives or public-private partnerships that might assist in improving the situation in prisons in the last period. I hope that it is something that we can get to, so that young people receive the kind of training that I saw in Sweden and Finland, which, frankly, have far better results with their young offenders than we do.

Just a few years ago, my Government were able to begin pilots in what we called test bed regions, and I hope that the Minister might be able to comment on their success or progress. They were meant in part to deal with the other problem that is manifest in the system. I feel sorry for the Minister. I worked closely with justice and prisons Ministers in my period, and I know that many of the issues that the hon. Member for Blackpool North and Cleveleys raised lie beyond the door of the justice system, and beyond the door of a skills Minister dealing with education in prisons. If a young person exits but does not quickly get suitable housing, which is very much in the domain of the local authority, that is a disaster, because he will probably end up with the same crew that he was hanging out with before he went inside. If he exits and has to wait two or three weeks to access benefits, that is a bigger disaster. Guess what he will do to find money and resources in the interim period because, frankly, colleagues in the Department for Work and Pensions have not been able sufficiently to integrate their systems so that he can quickly get the support that he needs, get on to jobseeker's allowance and move forward.

Integration with further education and the role of the probation service are also fundamental. It is clear that the public imagination of what probation and probation services should mean is nothing akin to what is happening. A great deal needs to happen to ensure that a responsible adult is alongside the young person when they exit the young offenders institution. That is clearly the role of the probation service, which needs proper resources but also must be subject to proper expectations and accountable to the public. It must work alongside young offenders to ensure that they can continue to develop the skills they acquired in prison when they exit, particularly if they had a short sentence. There must be integration of the course that they were doing in prison with courses at the local further education college. In Britain, there are still too many young people falling through the cracks. They are not able to continue their education or training and access the necessary job.

We need a step change in the attitudes of industry and business to young people who, if they do not succeed in work, will cost the state millions in recidivism. I am afraid that the attitude of employers to employing young people who have a criminal record is still less than positive or wholesome. It is our civic duty to ensure that if someone makes a mistake, they are able to correct it.

I end with the story of a young man who came to see me in my surgery on Friday last week. He saw me in 2003, having committed some crimes in 2001. He had changed his life and wanted to join the Territorial Army. I contacted the TA at that point, but it said, "Sorry. We want to see more sustained progress in this young man's life before we will take him on." It is now 2011, and he has come back with his Criminal Records Bureau record showing no criminal activity, and with references from some of his employers over the last period. He has turned his life around and still wants to join the TA, and it is my sincere hope that it will look favourably on him. We need both public and private sector employers to take that kind of attitude to young people.

I am deeply concerned that the kind of cuts that we are seeing in provision for young people could lead to a serious explosion in crime among this important cohort. I say that fully cognisant of the importance of Tottenham and constituencies such as mine in respect of such issues in the past. Cuts to youth services and to provision such as after-school clubs for young people can have a detrimental effect down the road. I represent a constituency where many young people do not have access to gardens. They may live on the 15th floor of a tall tower block and share a bedroom with four, five or six brothers and sisters. They need youth services. They need the state in loco parentis after school and at the weekends. Without that, they are literally on the streets, in front of the television or on the internet.

Working women in my constituency do not get home at 3 o'clock to pick up their children. They are often single mums who need activities after school and at the weekend to keep their kids occupied until they can pick them up after they finish work at half-past 5 or 6 o'clock. Cuts in this area can have a huge and detrimental effect, so I hope that when we speak about youth justice, we recognise that it cuts across nearly every policy area, and that we must do better in Britain in the coming period.

10.6 am

Tom Brake (Carshalton and Wallington) (LD): I congratulate the hon. Member for Blackpool North and Cleveleys (Paul Maynard) on securing this debate. As I said in an intervention, he has made a thoughtful and meticulously researched contribution—indeed, possibly even a liberal with a small l contribution. His emphasis on early intervention and ensuring that there is proper assessment of learning and communication difficulties among young offenders was a strong point.

I also congratulate the right hon. Member for Tottenham (Mr Lammy), who made a strong contribution based on his experience as a Minister. I did not disagree with anything that he said, including his last point about the impact of cuts on youth services. We must be cautious about that, because of the potential for significant negative knock-on effects.

I apologise to you, Mr Streeter, and to others, because I must leave early to sit on a Statutory Instrument Committee that is looking at licensing hours in relation to the royal wedding. Clearly, we hope that more people will not join the criminal justice system as a result of extended licensing hours and their drinking longer and harder than they might otherwise have done.

The backdrop to what we are discussing must surely be, to some extent, public perceptions of young people. Members may be familiar with a YouGov poll commissioned by Barnardo's that was conducted at the end of 2008. It found that nearly half the adults regarded children as increasingly dangerous to each other and to their elders, while 43% feel that

> "something has to be done"

to protect society from children and young people. It is a sad indictment against not young people but adults, society and, perhaps, the media that we have arrived at a point where the perception of young people is as negative as that.

The poll goes on to state:

> "The British public overestimates, by a factor of four, the amount of crime committed by young people."

I wonder to what extent that perception affects sentencing policy. If people think that young people are committing four times as much crime as they actually commit, that may be reflected in the sentences that are handed out.

That is the perception, but, interestingly, the number of children in custody has fallen by one third since 2002, from 3,175 to just more than 2,000. That goes against the perceptions that that poll revealed, and may explain to some extent the fall to which the hon. Member for Blackpool North and Cleveleys referred in terms of young people accessing services. Fewer children are going into the custody system.

That is the backdrop, and I shall now address the issue. A couple of months ago, I organised a sentencing round table. I invited many of the organisations involved in youth justice to come and suggest how to enhance the proposals in the Green Paper and to propose additional measures. They stressed the importance of the emphasis on diversion, discretion and judgment in what happens with children who go into the youth custody system. As an aside to the hon. Member for Blackpool North and Cleveleys, I hope that he will stick to his humanitarian instincts and consider why an age of criminal responsibility of 14 might be the appropriate course of action. Indeed,

[Tom Brake]

at the Liberal Democrats' spring conference on Saturday, I shall open a debate on a motion that proposes precisely that.

The organisations had concerns about whether the Green Paper focused enough on custody of young people, and there was a lot of enthusiasm about what is happening to youth custody in Northern Ireland. Perhaps the Minister will respond to that, and confirm whether the Government are considering that as a way forward. Northern Ireland has far fewer children in the prison estate.

The organisations also focused on the need to address learning difficulties and mental disorders, as the hon. Member for Blackpool North and Cleveleys said. He rightly drew on the briefing of the Royal College of Speech and Language Therapists—at least, I am drawing on it—and referred to the asset system, which is the tool designed to assess young people. The concern, as the hon. Gentleman has said, is that it is not designed to identify learning difficulties or communication disabilities. I have a specific question for the Minister. Can that system be looked at to ensure that it is adjusted so that it can do precisely that? As he has said, it is a significant issue. Current evidence shows that 60% of young offenders have such severe communication disabilities that they cannot access prison education programmes. I agree with the right hon. Member for Tottenham that good, strong educational programmes in prisons are key, but they could go further in allowing offenders to obtain qualifications.

When I visited the prison in the Minister's constituency, the point was made that it is all very well an offender achieving an NVQ level 1, but they need to go further if they are to be competitive in the job market when they come out. Appropriate courses must be available. That prison—Highdown—has a gym, where prisoners like to go, and perhaps they should be able to achieve some qualifications in gym work that they could use when they come out.

The right hon. Member for Tottenham was right to say that employers need to do more, and I am sure that he will be familiar with National Grid's scheme, which is fantastically successful. It trains prisoners, and its experience is that on release, because they take up a guaranteed job at the end of the training, they are less likely than the general population to offend. That is a real success story, and I wish other employers would emulate it.

Mr Lammy: The hon. Gentleman will recognise that National Grid's scheme works because the young offenders have often had day release or been out on tagging. Some of the public storm in the tabloids about young people leaving institutions must stop if such schemes are to work.

Tom Brake: That is a significant point, but unfortunately, there is an element of risk. The right hon. Gentleman was a Minister, so he will know that there may be occasions when something happens on day release, but overall the impact is positive. The Government must be willing to accept that there will be some risk, and that there may be some negative publicity if something regrettable happens, but the overall contribution of such schemes is positive, which is what must be borne in mind.

Other matters that were raised at the round table include transition, which is significant. When young people go from the youth estate into the adult estate, it is a huge leap, and that transition must be much smoother. That applies not just to 17-year-olds going into the prison estate, but to 18 to 21-year-olds, because many of them are not able to go into the normal adult estate without additional support.

An issue concerning young adults to which the Minister may wish to respond is that the law is being disregarded and they are mixed up in adult prisons. The law is clear, but I understand that it is not being applied. Another significant point that was made at the round table is the need for early intervention and early investment.

I have some additional proposals that I hope the Minister will consider. The police should be allowed discretion in how they tackle youth offending, perhaps adopting a problem-solving approach rather than unnecessarily arresting young people when they admit responsibility. It should be recognised that the criminal courts are not necessarily the most effective environment in which to deal with children, particularly those under 14 when, as the hon. Member for Blackpool North and Cleveleys has said, they often do not have the slightest idea what they are going through in the court system, because it is too complex and completely opaque to them.

We must decriminalise children when they should be treated as victims, such as child prostitutes, and we should protect young people who are criminalised for victimless crimes. I am thinking specifically of consensual sexual acts between those under 16. On restorative justice, I hope that the Minister will respond on the Northern Ireland proposals.

As hon. Members have stressed, it is important to give local authorities responsibility for custody costs, so that there is a clear and strong incentive for them to invest in youth services, as the right hon. Member for Tottenham has said, if they can see a clear correlation, which I am sure that there is, between investment in youth services and a reduction in the number of young offenders going into custody with all the charges and costs associated with that.

This debate has been positive with well thought-through contributions, and I hope that the Minister will respond in kind; I am sure that he will.

10.18 am

Mr Matthew Offord (Hendon) (Con): I welcome the debate, and I am grateful to my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) for securing it. The contributions so far have been valuable, and I pay tribute to the previous speakers. I hope that my contribution is as informative and as reasoned as those I have heard. I start by saying that I believe in prison and young offender institutions. I believe that they should be about punishment, but also about rehabilitation, and that applies to children and adults. Many people in the adult penal system are subject to drug and alcohol problems, as well as mental health and education problems.

I want to focus on one area. It has been touched on by my hon. Friends the Members for Blackpool North and Cleveleys and for Carshalton and Wallington (Tom Brake): the ability of young people to engage in education programmes while in young offender institutions. Communication disability is prevalent in the youth justice system. We have heard evidence that more than 60% of young offenders have severe communication disabilities and cannot access prison education programmes. Only 5% of those offenders are identified as having a communication disability before entering a young offenders institution. A substantial proportion of children with communication disability experience social and behavioural problems in school, and those difficulties become entrenched over time as they cannot access the curriculum and become increasingly frustrated. Over a third of those children later develop mental health problems. Evidence also shows a strong correlation between poor education skills, particularly literacy skills, and criminal or offending behaviour. Young offenders with communication disability have a higher rate of reoffending once in the criminal justice pathway.

What do we find when we look at some of the money spent on prison education programmes? As has been mentioned, offender treatment programmes are largely language based. Some young people, however, cannot benefit from prison education programmes because their communication disability prevents them from accessing language-based interventions. Money invested in prison education schemes is therefore wasted and would be better spent providing specialist speech and language therapy services to enable that group of young offenders to learn the communication skills needed to contribute positively in society.

My hon. Friend the Member for Blackpool North and Cleveleys mentioned the Asset form, which I believe should be revised. The current assessment tool is not designed to identify learning difficulties or communication disability. Moreover, it is verbally mediated and therefore inaccessible to most young offenders with a communication disability. The tool fails to identify children and young people with learning difficulties or communication disability. Subsequently, the resources needed to support young offenders with those difficulties are not provided.

What do we find when we look at speech and language therapy services provided in youth justice institutions? Access to rehabilitation and treatment programmes is the key to reducing reoffending—something we all seek. Due to the link between communication disability and subsequent behavioural problems, speech and language therapy intervention with young people reduces the risk of them developing behavioural problems and subsequent offending behaviour. Speech and language therapy intervention allows the offenders to access education and a wider range of rehabilitation programmes, and subsequently they are empowered to change their offending behaviour.

At Her Majesty's young offender institution at Hindley in Wigan, 97% of the offenders reported an increase in confidence when they were able to access education, and they felt more comfortable asking for help following intervention by a speech and language therapist. Prison staff reported a decrease of 87% in the number of young offenders who received behavioural warnings following speech and language therapy intervention.

Given that communication disability is now recognised as a significant contributory factor towards reoffending, what steps will the Government take to support that group of vulnerable young people? The Asset form is a verbally based assessment that has been shown to be inaccessible for children and young people with learning or communication disabilities. Given that more than 60% of young offenders have communication disabilities, what steps will the Minister ask the Youth Justice Board to take to revise the Asset form? The Youth Justice Board and the Government recently confirmed the need to support young offenders with communication disability. Is the Minister aware that speech and language therapists are being removed from young offenders institutions such as Her Majesty's young offender institution at Hindley?

Finally, I am sure the Minister has seen the recent report by the Public Accounts Committee, which accepted that 70% of young offenders have communication difficulties and that the current assessment does not give sufficient weight to those issues and problems. The Committee recommended that an explicit assessment of communication difficulties be carried out where difficulties are identified, and that speech and language therapy be considered as part of the sentence programme. That brings me to my original point: I believe in prison and the penal system, but I also believe in the rehabilitation of offenders. I look forward to the Minister's response.

10.23 am

Mr Andy Slaughter (Hammersmith) (Lab): It is a pleasure to serve under your chairmanship for the first time, Mr Streeter. I congratulate the hon. Member for Blackpool North and Cleveleys (Paul Maynard) on securing this debate and on an outstanding analysis of the current issues. All hon. Members who have spoken have taken that lead, and I am pleased to see a growing consensus that youth criminality is a result of multiple vulnerabilities and failures in the individual and in society. I share the concern expressed by my right hon. Friend the Member for Tottenham (Mr Lammy) that if the cuts to youth justice funding that we anticipate go ahead on the scale that is promised, we risk not addressing those failures. I will return to that point.

The previous Labour Government had a properly funded, multi-agency approach to youth offending. It included youth offending teams, which have been a real success story; the Youth Justice Board, which uses an evidence-based approach to disseminating best practice; the introduction of alternative disposal orders; and the recognition that intervening early is far better than trying to manage a child who has already become embroiled in criminality.

As a result, the youth justice system of today is radically different from that of the past. During the previous Parliament, the Government's approach to prevention saw a significant drop in the number of first-time young offenders, from 170,040 in 2005 to 61,387 in our last year in government. Recent statistics show that the number of offences committed by young offenders dropped from 301,860 in 2005 to 198,449 last year—a drop of 35%. In the past two years alone, the under-18 prison population has dropped from 2,932 to 2,045—a drop of 30%. Those remarkable figures are possible only because of the good work of the Youth

[Mr Andy Slaughter]

Justice Board, of YOTs around the country and of those third sector and social enterprise front-line providers that have given so many options and provided valuable data to inform an evidence-driven approach to drive down youth offending. We all want better outcomes for our young people.

Some years ago, I worked as a criminal barrister and represented young offenders. It was clear to me then, as now, that many young offenders are themselves profoundly vulnerable, a point which was made well by the hon. Member for Blackpool North and Cleveleys. That is true not only in respect of their immaturity or youth, but because many are disadvantaged socially and educationally and suffer a wide range of impairments and emotional difficulties. Mental health issues are three times as prevalent among children in the youth justice system than in the general population.

Studies over the past few years show that between 40% and 50% of children in the youth justice system have emotional or mental health issues. A study of youth offenders found that 23% had an IQ under 70, and 36% an IQ under 80. As has been mentioned, the Royal College of Speech and Language Therapists found that 60% of children in the criminal justice system have a communication disability, and of that group, half have poor or very poor communication skills.

Some of those indicators are a result of deprivation, while others are clinical issues that need to be dealt with through appropriate interventions. They are not just drivers of offending or reoffending. The inability to deal with a complex and highly verbal youth justice system has driven many young people to act out, self-harm or worse. There may be a declining number of the most serious incidents and cases of self-harm that lead to death in custody, but each incident is a tragedy and, where it is preventable, we have a duty to act.

Hon. Members have mentioned some of the tools used to identify vulnerabilities found in young people in the criminal justice system. Asset, the Youth Justice Board's tool for classifying young people and identifying vulnerabilities, has been rightly identified as lacking a suitable mechanism for isolating speech and language deficits. I am pleased, therefore, that when giving evidence to the Public Accounts Committee in January, the chief executive of the Youth Justice Board, John Drew, confirmed that a complete review of Asset is being undertaken to find a way to integrate speech and language components. In 2009, the previous Government commissioned a review of the entire YOT assessment, planning and supervision framework, which has been at work since January 2010.

Reviewing Asset is not the only way in which communication impairment should be taken into account. Two weeks ago, I was in Milton Keynes at the Oakhill secure training centre. Among others, I met Diz Minnitt, the speech and language portfolio holder for the Association of Youth Offending Team Managers and operational manager for the Milton Keynes youth offending team. They are at the forefront of the use of speech and language therapists, and they have an exceptional practice, focusing on prevention. They have halved the number of first-time entrants to the system in the past five years, and they have reduced the need for custodial disposals, far outstripping the national and regional rates of reduction.

There is a great deal of argument about what drives down crime, but I am firmly of the view that dealing with difficulties such as speech and language problems, so that young people can fully engage with deterrence and offender management programmes, is a big component of driving down first-time offending and reoffending. But here we come to the problem—future funding. We know that the Ministry of Justice faces one of the biggest cuts of any Department—23%—but I saw in *Children & Young People Now* magazine today that John Drew has said that the Youth Justice Board is preparing to distribute 29% less in Government funding to YOTs compared with last year. He is quoted as saying:

> "There are a couple of YOTs saying it is going to be exceptionally difficult to maintain a basic YOT…Inevitably it will mean fewer resources on the ground to discharge a range of responses."

He concludes that

> "it will be really difficult to have as much success as we have enjoyed over the last two to three years".

It is not just YOTs that are affected. Kamini Gadhok, chief executive of the Royal College of Speech and Language Therapists, has said:

> "News of cuts being made to speech and language therapy services in YOIs"—

young offenders institutions—

> "is a deeply disturbing and regressive policy. Communication is an essential skill that is vital for the rehabilitation of offenders.
>
> The delivery of speech and language therapy has been shown to reduce reoffending rates by as much as 50 per cent, which in turn reduces costs to the taxpayer."

The hon. Member for Blackpool North and Cleveleys may confirm from his visit to Hindley what I believe is the case there—that the only full-time speech and language therapist post is being scrapped, which is a retrogressive step. The Minister needs to deal with that point when he responds for the Government. We have some excellent schemes throughout the country, but they are under threat. What will the Government do to ensure that they are at least preserved, if not enhanced, over the next few years?

The third sector, social enterprises, YOTs and the secure estate are all under pressure from sharply declining central and local revenues. If there is a massive contraction of youth justice funding, it may lead to a decline in the system's efficacy, a rise in crime and the failure of schemes that, if fully funded, would probably have succeeded. If a scheme can reduce first-time offending, reduce reoffending, reduce the prison population and reduce our expenditure, should we really be reducing that scheme? That is the lesson from the report published today by the community or custody inquiry, although it does not deal exclusively with youth justice. A very high-powered panel concludes that some of the existing innovative schemes for intensive community punishments as alternatives to custody may be at risk, let alone the expansion in such schemes that the Government wish to see.

I am sure that hon. Members on both sides of the Chamber agree that we do not want more children slipping through the net and being condemned to spiral down within the criminal justice system. Those who have been involved with youth justice for some time will know that we have been here before. I shall quote a passage from *Hansard* from 18 years ago, almost to the day. The right hon. and learned Member for Rushcliffe (Mr Clarke), who as Home Secretary was responsible for youth justice then as he is again now as Lord Chancellor and Secretary of State for Justice, was defending himself against an attack by the then hon. Member for Sedgefield, the shadow Home Secretary. Following that, the then hon. Member for Lewisham, East read to him a letter written by a youth worker in Lewisham:

> "'I find it at least ironic and at worst callously indifferent to hear members of the Government and Ministers bemoaning the lack of social responsibility among young people and expressing concerns about juvenile crime, when the consequence of their policies on local government spending is that something as worth while as the Young Lewisham project is forced to close.'"—[*Official Report*, 2 March 1993; Vol. 220, c. 148.]

I fear that many more letters like that will be written because of the cuts, not just in MOJ funding but in local government funding and in other areas. Although the aims of the justice Green Paper are commendable in many respects, ruthless spending cuts will lead to a diminution of capacity and systemic failures and undermine the very sensible case that the hon. Member for Blackpool North and Cleveleys and other right hon. and hon. Members have advocated today. I fear that if those cuts are combined with the cuts referred to by my right hon. Friend the Member for Tottenham in Sure Start, youth clubs and the education maintenance allowance, our most vulnerable young people face a bleak future.

10.35 am

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): Every hon. Member who has spoken since my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard) introduced the debate has referred to the quality of his contribution, and I would put myself at the head of that list. In examining a number of concerns in the youth justice area, he has taken a machine gun to all the targets and blasted them away. Even though I have more time to reply to the debate than I would normally expect, there simply is not enough time to reply to all the issues that he has raised. Many of them merit significant debate in themselves. However, I will do my best.

I shall start by immediately addressing the point about funding made by the hon. Member for Hammersmith (Mr Slaughter) on behalf of the Opposition. I am of course concerned about the possible impact of funding cuts. Every Minister who is responsible for service provision of one sort or another will be concerned about the impact of the expenditure cuts that they have to deliver. I am not alone in that, but if there is one source from whom we will not take a lecture, it is those who presented us with the hideous problem of getting the overall fiscal balance of our country right so that we can get ourselves out of the appalling economic mess that we are in.

That said, I take seriously the cautions that are being offered. In the situation that we are in, we have to think about new ways of delivering services that focus much more effectively on the output that the public services deliver. We are coming out of an era in which those at the centre have been privileged to dictate very carefully, through targets and performance measurements, how people in the public services deliver those services. Now, we need to turn to those people and draw on their expertise and professionalism to deliver the services more efficiently, and they will know that better than anyone else.

My hon. Friend the Member for Blackpool North and Cleveleys paid tribute to the people whom he saw working in the institutions that he visited, and I shall join him by paying tribute to all the people who operate in the youth justice area for the quality of the work that they do. We know the value of that work. My hon. Friend, in concluding his remarks, drew attention to the report by the National Audit Office that said that the cost to the economy of offending by young people in 1999 amounted to £10 billion. Intervening early in the lives of children at risk and their families, before that behaviour becomes entrenched, can present our best chance to break the cycle of crime.

Youth justice is, of course, a key part of the justice system. The object of the youth justice system is to turn off, or at least turn down, the pipeline into the adult justice system and spare many potential victims of crime. Of course, the logic extends itself. My hon. Friend referred to the work done in 2002 by our right hon. Friend the Member for West Dorset (Mr Letwin), who is now the Minister of State, Cabinet Office, in relation to the conveyor belt to crime.

Frankly, early intervention is just a blinding glimpse of common sense. In the debate, there has been a focus on concentrating on four to 10-year-olds rather than teenagers. In paying tribute to the people who work in the youth justice system, we need to acknowledge that turning round a socially excluded, angry and hostile teenager is difficult and, of course, expensive. Those who do such work are doing great work. How much better would it be, however, to do that work with not only four to 10-year-olds, but children who are born in circumstances in which the predictors make it all too clear that a horrifying percentage may end up socially excluded and on their way into the youth justice system? I fully acknowledge that communication issues sit at the heart of much of that, and I will return to that issue.

My hon. Friend the Member for Blackpool North and Cleveleys analysed many of the problems with the youth justice system, so let me give a short introduction to the issues. Despite the increased investment in youth justice under the previous Government, there is still a lack of public trust in the system. Members of the public remain concerned about becoming victims of crime. Fewer than half of them have confidence in the ability of the justice system to deal effectively with young people, in particular. Reoffending rates among young offenders who are released from custody are horrifyingly high, with 75% being reconvicted within one year. Tragically, things are not much better for those sentenced to the higher-end community sentences, who have a 68% reoffending rate. Those figures are the worst for any age group in the justice system.

Too little is done to ensure that young people who offend pay their victims and communities back for the harm they have caused, whether directly or indirectly. The system does not incentivise agencies to invest in preventing offending and reoffending or in early intervention. Indeed, the system is set up in such a way that local agencies financially benefit when a young person is taken into custody. All the wrong incentives are in place, and we must address that.

My hon. Friend spoke about secure accommodation. Such accommodation will remain the most appropriate place to deal with a small proportion of young offenders.

[Mr Crispin Blunt]

As my hon. Friend the Member for Hendon (Mr Offord) said, there remains a need for custody. There will also still be occasions when remand to custody is appropriate for a young person.

However, it is a rather depressing state of affairs when people in the justice system are taking decisions to remand someone on bail when, as my hon. Friend the Member for Blackpool North and Cleveleys said, the issue is the person's social circumstances. It would surely be better if we moved to a system where the local authority's social services department dealt with such things. If someone needs to be taken into custody in a secure children's home for their own protection, the judgment should be reached through the social services system, not the agencies of the justice system.

There are occasions when custodial remand is used inappropriately because of a lack of alternative accommodation. Some 58% of young people remanded in custody are acquitted or receive a community sentence. Some of the funding spent on unnecessary remand could be better used to develop local solutions, which would be more cost-effective in the long term and allow young people to be diverted from a potentially unnecessary period in custody.

We have published our intention to introduce a single remand order for all under-18s. That would simplify the system and make local authorities—gradually and with support—responsible for the full cost of youth remand. That will reverse the current perverse incentive, which benefits local authorities when one of their young people is placed in custody. We also intend to amend the Bail Act 1976 to remove the option of remanding young people who would be unlikely to receive a custodial sentence.

Hon. Members, including my hon. Friend the Member for Blackpool North and Cleveleys, commented on assessment in the youth justice system. It is important to note that it is not the intention for youth justice assessments to be capable of assessing every possible aspect of young people's lives. Rather, it is intended that they should provide a baseline and then trigger additional or specialist assessment where required. That means that we are working to ensure that changes are based on the principle of screening for, and alignment with, other assessments, rather than of replacing them. It is also right for professional discretion to sit at the centre of assessment arrangements, so there needs to be the flexibility in the system for that.

I would not say anything as strong as that Asset is inappropriate, but it is outdated and in need of review, and I welcome the support for such a review from the hon. Member for Hammersmith. The clear feedback from practitioners is that although Asset has a lot of good content, the form's format and associated processes do not make best use of it. On that basis, the Youth Justice Board is looking at the assessment process in the youth justice system and developing a business case for changes to the Asset framework. We accept that more could be done to facilitate high-quality identification and analysis of difficulties in the areas of mental illness, learning disability, speech, language and communication. As my hon. Friend the Member for Hendon made clear, the assessment of communication difficulties is important.

The proposals for the future framework look to improve identification through a discrete section for gathering information about needs in such areas that is not dependent on the link with offending behaviour. In particular, that includes a specific section on speech and language, which are not covered in the current version of Asset. It is also the intention to improve intervention planning by bringing all activities associated with addressing individual young people's behaviour into one plan and making referrals to other services more accurate and easier to generate.

My hon. Friend the Member for Blackpool North and Cleveleys referred to the assessment made by custody officers escorting young offenders. I should make it clear that, under the current system, the young offender team sends assessment information to the Youth Justice Board placements department in advance. The department then sends the assessment electronically to the youth offender institution before the young person arrives, so the assessment should be ready and waiting there.

My hon. Friend mentioned the importance of the relationship between youth offending teams and child and adolescent mental health services. Youth offending teams are multi-agency teams and must include a health partner. Primary care trusts have a statutory duty to provide health input to youth offending teams. The future commissioning structure is now being developed, and my officials are working closely with the Department of Health to ensure that there are appropriate arrangements to support an effective relationship between youth offending teams and child and adolescent mental health services and wider health services.

My hon. Friend the Member for Carshalton and Wallington (Tom Brake) raised the extremely important issue of communication difficulties. Young people with speech, language and communication needs are over-represented in the youth justice system. We are working to facilitate the early detection of such needs in young people and to equip staff to communicate more effectively with those with speech and language needs. Providers of education in custody have been trained to use the hidden disabilities questionnaire, which identifies a range of learning difficulties, allowing education providers to refer learners to the appropriate support and for further assessments, if necessary.

An anecdote that has been reported to me provides a good illustration of why such provisions are required. A youth offending team worker told of a young person who, when asked in court whether he felt any remorse for his offence, said, "No." It was only in the taxi on the way back that he asked the youth offending team worker what remorse meant. Plainly, that is not acceptable, and one can well identify what might have happened to that young person's sentence as a consequence.

We have worked with the Communication Trust to develop "Sentence Trouble", a guide to help youth justice workers communicate more effectively with young people with communication needs. Some 30,000 copies of the booklet have been distributed across the sector to all youth offending teams, young offenders institutions, secure children's homes and secure training centres, as well as pupil referral units, magistrates, police, special schools, Connexions services, primary care trusts and speech and language therapists. The booklet is supported by a training programme and a website that features a forum for staff to share information, useful links and resources.

On the education of young offenders, local authorities with Prison Service young offenders institutions in their area are now responsible for securing suitable education and training for young people in custody. Primary legislation on education applies to young people in custody, which means that they have the same entitlement to education as their peers in the community. I am pleased to announce something that may help to answer some of the concerns of the hon. Member for Hammersmith, which is that we shall continue to fund the education support service in the next financial year in Prison Service young offenders institutions. The education support service has an important role in the education of young people, developing the links between Connexions and Jobcentre Plus and helping to give support for resettlement, in the form of referrals, national insurance queries and benefit and debt advice. It also helps to support young people applying for financial assistance for education, and offers information, advice and guidance on careers, helping them to develop their interests and skills, and, hopefully, identifying possible career opportunities.

It is of course the local authority where the young person normally resides that now has a responsibility to promote the fulfilment of the learning potential of the young person while they are in custody, and to share information about the young person's education and any special needs they may have. By placing more responsibility on local authorities, the legislation aims to ensure greater continuity of learning for young people between custody and community.

My hon. Friend the Member for Blackpool North and Cleveleys and the right hon. Member for Tottenham (Mr Lammy) both raised concerns about the number of young people in custody and the rate of provision of literacy and numeracy courses, which appears to be declining. All young people who enter custody who are able to participate are referred to learning and skills provision funded by the Offenders Learning and Skills Service. Of course, all too many young people have other issues, such as substance misuse, that they need to deal with before they can participate meaningfully in learning. Perhaps it is not quite so helpful to look at the number of young people who are learning, while the number of young people in custody continues to fall. Given the significant fall in the number of young people in custody, the numbers do not necessarily read across.

A critical issue is resettlement and making the links so that when people have been in custody they make the transition to the community effectively. Every year hundreds of young people leave custody to create a new life in the community and each faces the challenge of staying out of trouble and integrating back into society. Many of those vulnerable young people have no home, school or job waiting for them. Without the right support, many will reoffend, creating an unproductive and expensive situation for them and wider society. The aim of resettlement is to provide housing, education, training and mentoring for young people to reduce reoffending. That is of course an area in which, frankly, we have not done particularly well.

To address our capability shortage in that respect we need a radical new way of thinking. I hope that payment by results will be the vehicle by which we shall deliver such a step change in service delivery. It is a way in which we can free up professionals, and involve a wider range of partners from the private and voluntary sectors in taking innovative approaches to dealing with offenders. We want agencies to be driven by results, not burdened by targets. That is why we are committed in the coalition agreement to introducing payment by results. We are considering a number of options for how we might do that in the youth sphere. Perhaps it is in resettlement more than in any other area that we can raise our game by incentivising people to do what will work.

My hon. Friend the Member for Blackpool North and Cleveleys raised the issue of discharge grants and discussed the giving of the resettlement grant of £46.75. Of course, young offenders do not receive that grant, which is for adults. It is an instructive point. My hon. Friend said that there was concern about the raising of the amount. In contrast to the adult system, all under-18s are subject to sentence planning, and they have an allocated case manager in the community. The detention and training order is an integrated custody and community sentence. The youth offending team has the lead responsibility for sentence planning. That means that the young person's accommodation and employment needs should be identified early in the sentence, and coherent plans for the day of release should be put in place. Those could include immediate access to supported accommodation, and should mean that financial support would be targeted and more flexible than the one-size-fits-all grant for the over-18s.

Properly, resettlement has become a prominent focus for attempts to tackle youth crime, but it has long been recognised that there is inadequate strategic direction, and poor performance. The use of bed-and-breakfast accommodation, and other forms of temporary accommodation, as well as a lack of resources and expertise nationwide, are frequently linked to reoffending. I hope that payment by results will bring about an improvement. Meanwhile, however, the Youth Justice Board last year set up a new resettlement programme with the aim of addressing numerous resettlement issues together. A key focus of the programme is the establishment of two regional resettlement consortia, around the Hindley young offenders institution in the north-west and the Ashfield young offenders institution in the south-west.

The aim is to bring together senior members from the secure estate, the youth offending teams, voluntary services and local authorities—particularly children's services and housing—to take a strategic approach to developing flexible, co-ordinated resettlement services. Strengthening the links in the system through partnerships that work across agency and local authority boundaries not only tackles re-offending, but has additional advantages in addressing issues of child welfare, safeguarding and community safety. The proposals in our Green Paper are intended fundamentally to change the incentive structure in relation to resettlement. We want local authorities to take full responsibility for ensuring that young people who leave custody do not return there, and to incentivise more of the kind of work that I have outlined.

My hon. Friend the Member for Blackpool North and Cleveleys raised the issue of the age of criminal responsibility and I am pleased that he supported the Government's position, which is to leave it at the age of 10. Our coalition colleague the hon. Member for Carshalton

[Mr Crispin Blunt]

and Wallington did not take quite that view, and having praised my hon. Friend for an admirably liberal speech disagreed with him about that. The Government believe that children aged 10 are able to distinguish between bad behaviour and serious wrongdoing. It is entirely appropriate to hold them to account for their actions if they commit an offence, and it is important to ensure that communities know that a young person who offends will be dealt with appropriately. We have no plans to change the age of criminal responsibility. We accept, however, that prosecution is not always the most appropriate response to youth offending. Much of youth crime is addressed using out-of-court disposals and robust intervention to prevent reoffending. Indeed, we are now seriously considering widening the delivery of restorative justice and giving the police their own restorative justice interventions for the lower level of offences, which could be recorded for their own purposes. That is in addition to making sure that people both make restoration and receive punishment—the two are not alternatives—in the rest of the criminal justice system.

I am conscious that I have received advice on many issues on which, sadly, I do not have time to respond to my hon. Friend. I very much welcome his speech and the issues he has drawn to our attention in the debate. The policy area in question is very important, and relies on co-operation between a significant number of authorities, to drive down the number of people coming into the youth justice system, and make sure that fewer people leave that system to go into the adult one. We can learn a significant amount from work that was done previously—from the way youth offending teams were set up and the way they make such co-operation and co-ordination systematic. That is the challenge that I enjoy. I am delighted to have hon. Friends who take such an intelligent interest in the issue.

Armed Forces (Pensions and Benefits)

10.59 am

Steve Rotheram (Liverpool, Walton) (Lab): It is an honour to serve under your chairmanship, Mr Streeter, given the importance of the topic before us.

I have to say at the outset that I am not an expert on the subject, but there are plenty of people who are, both here in Westminster Hall and watching proceedings on television. I shall attempt to set out the case against the proposed changes to pensions and benefits on behalf of the bravest of the brave—this country's armed forces personnel.

I shall put my personal interest into context. I am not one of those courageous parliamentarians who have served our country in the armed forces, but my brother was in the Army for 12 years or so, and I learned a lot from him about what it was like to be in the services. I also have friends in the regulars and the Territorials, and they are never slow to tell of their exploits. However, I have some first-hand experience.

In early 1983, a few short months after the cessation of hostilities with Argentina, I worked in the Falkland Islands as bricklayer repairing the Port Stanley infrastructure that was damaged during the conflict. While there, I lived cheek by jowl with military personnel from all our forces. During my seven-month stint there, I gained a certain understanding of the conditions that they had lived through day by day, and of the sacrifices that they had made on our behalf. I am therefore delighted to have secured this timely debate.

The changes that the Government are set to push through will shortly take effect. However, there is still time for Ministers to rethink, and for fairness and common sense to prevail. As we speak, nearly 10,000 soldiers are risking life and limb in Afghanistan; and tens of thousands more are engaged in service and heavy combat training elsewhere. They have no direct voice, and they are too busy protecting our country's interests, so we must speak for them here.

Let me make clear what today's debate is about. Under their cuts agenda, the Government intend to link public sector pensions and benefits to the consumer prices index rather than the retail prices index. Because CPI is an historically lower measure, pensions will increase by less year on year. Crucially, the change is intended to be permanent. It will apply across the board, with no exceptions. Essentially, it amounts to a cynical plan to reduce pensions indefinitely. That is bad news for all public sector employees and the source of ongoing challenge and debate, but it is particularly bad news for our armed forces. I shall explain why that is so, suggest why society has a moral obligation to make a separate case for armed forces pensions and explain how the impact of the planned changes might be at least mitigated, if not avoided entirely.

I start by pointing out that this is not a marginal matter, because it has major ramifications for many. The armed forces pensions community totals 1 million serving and formerly serving personnel—a huge number of lives—and I remind the Chamber that the quality of those lives is at stake. When discussing money matters, it is sometimes easy to lose sight of the fact that although we are talking about pounds and pence, we are also talking about real lives.

I think particularly of my constituent Craig Lunberg, who in the course of serving his country admirably was blinded by insurgents in Afghanistan. Craig is an inspiration to others; he is not bitter about the injuries that he received, and is philosophical about his life. However, Craig and his family need and deserve all the financial support that they can get. It is not charity; it is their due. We owe it to Craig and all the others who serve and who have served to look after them, remembering that their sacrifices were for us.

The number crunching has been done, and there is no disputing the impact that the planned changes will have on military personnel and their dependants, which will be immediate and profound. Widely published projections show that if the change goes ahead, recipients will feel the pinch from the get-go. In the coming financial year, military pensions will go up by 3.1%, rather than 4.6%. Severely injured discharged soldiers, who will not work again, will lose £120 of pension next year. Compensation for specified minor injuries will be £110 lower, and a widow with children will be £94 worse off.

Such amounts may seem trifling to independently wealthy Ministers—mere short change—but those reductions will be felt by those struggling to survive on state handouts. Only when we extrapolate the reductions, compounded over longer periods, do we see the full gravity of the changes. The long-term forecasts put paid to any suggestion that we are talking buttons. Military personnel are set to lose hundreds of thousands of pounds in benefits and pensions over their lifetimes. A double amputee corporal, disabled at the age of 28, will have lost £587,000 by the age of 70. A 40-year-old squadron leader will be £319,000 worse off by the age of 85. A 34-year-old widow of a staff sergeant will miss up to £750,000 during her lifetime.

I ask the House to note the ages cited in those examples. They are significant. For reasons that I shall deal with later, military personnel become reliant on pensions and benefits far earlier than others. We cannot get away from the fact that they are set to be disproportionately and adversely hit.

David Simpson (Upper Bann) (DUP): This is an important debate; indeed, we debated the armed forces in the House last week. We understand that the country has economic problems, but we should remember that we have a covenant on pensions or whatever and that our troops are laying their lives on the line for their country. It is soul destroying, whenever we debate their finances, to hear that their morale is suffering. Does the hon. Gentleman agree that we need to strike a balance? We understand that the economy is important, but our armed forces are laying their lives on the line and we need to balance the two.

Steve Rotheram: The hon. Gentleman is right. I shall pick up some specific matters a little later, but the main thrust is that there is undoubtedly a moral case to answer. The maths is one thing, but a principle is at stake.

The main problem is that the Government obstinately refuse to distinguish between military and civilian employees—indeed, they make a virtue of it. In November, a Ministry of Defence spokesman said:

> "It is not possible to treat the armed forces differently from other public servants".

That glib explanation was both pompous and dismissive. It is very convenient for the Government to fall back on their default position of, "We're all in this together," to imply that they are being firm but fair in treating all public sector workers equally. I remind colleagues that the coalition Government have been quick to criticise one-size-fits-all measures, when it suits. Their rationale on military pensions is as fallacious as it is dangerous, because military service is unique.

In the recent debate, to which the hon. Member for Upper Bann (David Simpson) has referred, my right hon. Friend the Member for East Renfrewshire (Mr Murphy) listed some of the ways in which a career in the armed forces is different from any other. They are worth repeating, because they demonstrate the utter absurdity of suggesting that soldiers, airmen and marines should be regarded and treated the same as other public servants:

> "Service personnel, as many of us know, can be required to work unlimited hours in excessively dangerous conditions with no prospect of overtime or a bonus; they can be imprisoned for failing to show up; living conditions can, understandably, be very tough;"—

I have experienced that myself—

> "they are often separated from family and loved ones for many months at a time; they can be compelled to return even after they have retired; they forgo several political freedoms and contractual rights that others rightly enjoy; and…they are at risk of being killed or horribly maimed as a direct result and an unavoidable consequence of their service. Often their pension is the only serious, tangible financial compensation available to them".—[*Official Report*, 10 January 2011; Vol. 521, c. 61.]

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): It is ironic that in the very next room, the Chief of the Defence Staff is briefing MPs on this very subject. Does the hon. Gentleman believe that his concerns will manifest themselves in a reduction in the ability of the armed forces to recruit in what could be some pretty testing times coming up?

Steve Rotheram: I will answer that question personally rather than as a representative of my party. As I have said, I am not an expert on this issue. However, having spoken to some senior officers in my local Army garrison only last month, I believe that it will have a detrimental impact on recruitment and retention in the armed forces. It is also about the morale of our troops, and I will touch on that subject a little later.

Dr Andrew Murrison (South West Wiltshire) (Con): I congratulate the hon. Gentleman on securing this very important debate and I declare my interest as a service pensioner. He underscores the importance of pensions and is right to do so. Will he note that pensions were perhaps the first manifestation of the military covenant since the Romans granted a pension to people settled in Britain after about 20 years' service, so they have a very long history?

Steve Rotheram: I will touch on the Government's position on the military covenant and what was said in the House a few weeks ago a little later in my contribution.

Military employees accept that many of their personal life choices will be determined, and often restricted, by duty to the military. Premature death and injury are occupational hazards and have lifelong and life-changing

[Steve Rotheram]

consequences that impact on entire families. Typically, armed forces employees have shorter careers; they retire at an average age of 40, which is much earlier than their civilian counterparts. For obvious reasons, many military widows and widowers are younger than the non-military average and thus more likely to be left to raise children alone. Injured or disabled retirees are frequently unable to work on civvy street following their discharge. For veterans, the quality of post-service support—medical, remedial and professional—remains patchy to say the least. Show me any other civilian public servant subject to this particular package of terms and conditions, and I will buy into the Government's logic.

There is another way in which armed forces pensions and benefits differ from other public sector pensions. Yes, they are occupational pensions, but, as the Forces Pension Society has pointed out, they are also essentially a form of compensation for the unavoidable early cessation of a career. It is important, therefore, to consider why people join the armed forces. Individual motivations vary, but they include a yearning for travel and adventure, a desire for a structured career, an eagerness to acquire skills in a particular field and a desire simply to serve our country. None the less, let us not forget that a disproportionate number of young military personnel—men in particular—come from disadvantaged backgrounds. As we know, significant numbers are drawn from the care system. Let us not pretend that they are in it for the money. High-ranking staff may eventually find themselves comfortably off, but the vast majority of military personnel merely eke out a bog-standard living. For that, they sacrifice a great deal, particularly in the way of family life. For that, they risk permanent injury or death in the course of their duties. The theory is that as a nation, we acknowledge and value that, and that we guarantee that forces' employees and their families will be looked after in return. In that respect, joining the armed forces is an act of faith. To change the terms and conditions of service—to move the goal posts—is to undermine that faith.

All the evidence suggests that serving troops already feel betrayed, disillusioned and frustrated. In a Sunday newspaper a few weeks ago, a British soldier serving in Afghanistan said:

> "The British Army has no voice at grass-roots level. We have no union. There will be no strikes. No riots. Certainly no fire extinguishers thrown off buildings. We are just an easy target".

There is the rub. In recent months, we have seen students protest, public sector workers strike and various interest groups demonstrate and engage in direct action. I suspect, and I say this with no relish, that we will see more and more people take to the streets as the Government's excessive austerity measures kick in. Military personnel cannot do that. In the absence of civilian workers' rights, they are particularly vulnerable and impotent in the face of damaging policy changes and cuts. Small wonder that they feel so beleaguered.

In January, Vice-Admiral Sir Michael Moore said:

> "I have never seen a government erode the morale of the Armed Forces so quickly".

What a terrible and shameful indictment. The Tory-led coalition's attitude towards the military is shaping up to be, at best, ambivalent and, at worst, perverse. Some would argue that blue-blooded conservatism has traditionally been a friend of the military. Sure enough, the Conservative election manifesto pledged to

> "ensure that our armed forces, their families and veterans are properly taken care of."

The commitment appears to have started and stopped with the rhetoric. The Prime Minister is never slow to spot a good PR opportunity and he is slick when it comes to lavishing praise on our troops. For all his new-found hawkish instincts, he and his slash-happy Government stooges seem hellbent on making military service as unattractive and insecure as possible. It is under-resourced, under-equipped and undervalued with little regard to meeting current and future military needs.

The defence budget has been slashed and major projects have been cancelled or abruptly abandoned, frequently at ridiculous cost to the taxpayer. Around 17,000 armed forces posts are to go over the next few years, 11,000 of which will go through redundancy. A range of other issues, including the unequal treatment of military widows, disadvantageous changes to income tax relief on pension contributions and the proposed cuts to educational allowances for armed forces families only compound matters by adding to the cumulative effect. Those changes all seem incredibly short-sighted and it is difficult to see how any of them will do anything other than damage recruitment and recruitment levels, which I have been told are already at crisis point.

It is equally difficult not to suspect that the pensions indexation switch is something more opportunistic and ideologically driven than a mere fiscal measure. There has been no suggestion on the part of the Government that they consider the current pension and benefit arrangements to be overly generous, so that leaves the deficit reduction agenda as the only possible explanation for the cuts. Let us examine that explanation, because the problem with it is that it does not explain or justify the decision to change the index link permanently. That decision will have long-term impacts that will be felt long after the economy has recovered.

By way of an aside, it was mentioned earlier that my colleagues and I are urging the Government to enshrine the military covenant in law, but we must not let that campaign blur our vision or distract from the specific issues that we are discussing today. Let us consider the dry and self-explanatory observation of the Forces Pension Society to the Armed Forces Bill Committee:

> "We note the commonly aired reference to the Covenant but we do not see a coherent and comprehensive set of actions which would make the Covenant come alive; it avoids any mention of pensions."

When all is said and done, the most powerful argument in favour of abandoning this callous indexation plan for the armed forces' pensions and benefits is basic—it is a moral one. It is about doing the right thing by those who have done the right thing by us. In return for the immense courage, patriotism and self-sacrifice shown by UK armed service personnel and their dependants, we have an obligation to provide them with the highest levels of support and reward, during and after service. If that involves discriminating in their favour, so be it.

As I hope I have illustrated, to renege on the deal made when service personnel signed on the dotted line would be to betray an implicit trust. Those serving will feel let-down and bitter, and who can blame them? And potential recruits will think twice before giving so much for so little in return.

I purposely paint a bleak picture, but as yet none of these changes is a fait accompli. There is still time for the Government to see sense. My own party has a number of ideas about how the deficit reduction dilemma might be resolved without so brutally hurting armed forces' employees. In our view, the ideal solution is entirely to decouple armed forces pension and benefit schemes from other such schemes in the public sector. However, we recognise that that is not a practicable or realistic option at the current time. The best way forward would be to make the indexation switch a temporary one that could be reversed in 2014-15, or at least once the Budget deficit has been pared down.

Others favour an alternative time limit measure, something along the lines of maintaining the current RPI link for the armed forces personnel or their widowed spouses until they turn 55, when the link would come into line with the rest of the public sector. Such measures, and variations on them, are all quite feasible but none of them is perfect, and they will not please all the people all the time. However, they represent carefully considered compromises, which the grown-up coalition Government profess to be big on, and they would go some way to alleviating the short to medium-term pain.

In addressing the Minister, I urge the Government to consider those measures carefully. I also remind the Government that this is a cross-cutting issue, which requires joined-up thinking. Defence, Treasury and Work and Pensions Ministers must all think again.

I have a final salutary point to make. Thomas Southerne was an Irish dramatist of the 17th century. In 1685, he served in the army of James II, which fought against the Monmouth rebellion. Southerne knew what it was to be a soldier. In later life, he reportedly said:

> "Dost thou know the fate of soldiers? They are but ambition's tools, to cut a way to her unlawful ends. And when they are worn, hacked, hewn with constant service, thrown aside, to rust in peace and rot in hospitals."

I am sure that everyone will agree that the part about "unlawful ends" is open to debate, but some modern military adventures spring to mind on hearing that quote. Southerne's bitter closing observations make uncomfortable reading. Do we want to entertain the notion that, 300 years on and at the dawn of the 21st century, we hold our armed forces in no better esteem?

11.25 am

Gemma Doyle (West Dunbartonshire) (Lab/Co-op): I congratulate my hon. Friend the Member for Liverpool, Walton (Steve Rotheram) on securing this important debate. As he mentioned, we have had a number of opportunities recently to debate these issues, including armed forces pensions and the military covenant. It is very important that we continue to debate them, because we have not yet received a satisfactory response from the Government Front-Bench team. Today we have a different Minister before us. Thus far, I have discussed these issues with the Under-Secretary of State for Defence, the right hon. Member for South Leicestershire (Mr Robathan), who is the Minister with responsibility for veterans. I am hopeful that we might hear something from the Minister who is here today that pleases us.

My hon. Friend the Member for Liverpool, Walton has already mentioned a quote from the Forces Pension Society, but it is one that merits repeating. The chairman of the society, Sir Michael Moore, recently said:

> "I have never seen a Government erode the morale of the armed forces so quickly."

That is quite a strong statement and the reasons for it stem from the wide-ranging promises made by the coalition partners to our service personnel, ahead of last year's election and since coming into office. Their record of delivery has spectacularly failed to live up to their rhetoric.

In opposition, the Conservatives declared that the military covenant was "shattered" and they promised to rebuild it. Both the Conservatives and the Liberal Democrats made clear pledges to our armed forces, such as improving service housing, setting minimum standards for family welfare and maximising rest and recuperation leave. In government, they have so far offered very little to address those issues. Indeed, it is worse than that, because the measures that we are seeing now will roll back the military covenant. Accommodation has been identified as an area in which to make savings; tours of duty will be reviewed and there has been no guarantee that they will not be lengthened; and the Government have confirmed that armed forces personnel will be cut by 11,000.

The Prime Minister could not have made a clearer pledge than the one that he made to sailors on the aircraft carrier HMS Ark Royal just last summer:

> "Whether it's the schools you send your children to, whether it's the healthcare that you expect, whether it's the fact there should be a decent military ward for anyone who gets injured...I want all these things refreshed and renewed and written down in a new military covenant that's written into the law of the land."

However, nine months later, the Government have failed to enshrine a military covenant in law, or at the very least propose doing so in the Armed Forces Bill, which is making its way through Parliament. Instead, they have already changed their policy, as outlined to all MPs in a recent letter from the Royal British Legion.

As far as the armed forces are concerned, the Government's time in office has been marked by broken promises and empty rhetoric. However, it is more serious than that. The actions of the Government are undermining the unwritten contract between the nation and our services in honour of the brave work that they do. In the process, as Sir Michael Moore said, the Government

> "erode the morale of the armed forces".

There is no better example of that than the impact of the Government's planned pensions changes on the armed forces. As my hon. Friend the Member for Liverpool, Walton has outlined, the Government's plans permanently to link public sector pension rises to CPI rather than to the usually higher measure of RPI will disproportionately affect members of the armed forces. I know that the Minister with responsibility for veterans does not accept that because he told me so in the Committee that considered the Armed Forces Bill, and I do not know whether the Minister for the Armed Forces will take a different approach today.

Dr Murrison: The hon. Lady puts forward an interesting case. Will she therefore commit any incoming Labour Government in 2015 to the measure that she appears to

[Dr Murrison]

be articulating, namely, that the change will be temporary and, if so, how will that feature in the budget she intends to set? The armed forces will not be alone; others will say that they should be dealt with in a similar way.

Gemma Doyle: I think that the hon. Gentleman is aware that we proposed a much fairer, time-limited approach, and that would be a better way forward.

If the Minister will not listen to me, perhaps he will heed the concerns of the Forces Pension Society, which delivered a letter to No. 10 in December to explain to the Prime Minister the disproportionate impact of the pension changes on the armed forces. Many members of the armed forces leave the military by the time they are 40, or earlier perhaps, if they are injured, so their pensions start to pay out much earlier compared to those of other public sector workers, and the changes will result in their losing hundreds of thousands of pounds over their lifetimes. As my hon. Friend the Member for Liverpool, Walton said, we are not talking about small amounts of money—these are very significant amounts. For example, a corporal who lost both legs in a bomb blast—a horrific and serious injury—would miss out on about £500,000 in pension and benefit-related payment, a figure that is very difficult to justify. War widows, who disproportionately rely on their pension schemes, will also lose out enormously. According to figures from the Forces Pension Society, a 34-year-old wife of a staff sergeant killed in Afghanistan would be almost £750,000 worse off. Again, that is very difficult to get one's head around, and to justify.

There can be only two possible reasons for the changes. The Government might think that armed forces pensions are too generous, but I have not heard them saying that, so I can assume only that it must be about deficit reduction, which is indeed the argument that has been put forward. I am afraid, however, that that argument does not add up either because the impact of the change from RPI to CPI uprating will be felt long after the Government's intention to pay down the deficit is achieved.

Steve Rotheram: I mentioned a constituent of mine, Craig Lunberg, who fought for his country and was blinded and severely injured, but is getting on with life. Why should he have to pay for the bankers' excesses? My hon. Friend might wish to speculate on that.

Gemma Doyle: I agree with my hon. Friend that his constituent should not have to pay for the bankers' excesses. I am not sure whether the Minister believes that, and perhaps he will address the point.

Although the figures demonstrate that the impact of the changes will be felt long after the deficit has been paid down—thus far paying down the deficit seems to be the only argument for change—the Government are determined to reduce the support given to forces members and their dependants every year from now on, even when the economy has returned to growth, as they predict it will. The hon. Member for Upper Bann (David Simpson) made the point very well that it is important to balance the needs of our economy with the unique debt that we owe our armed forces.

People will find it very hard to understand why men and women serving in Afghanistan now will receive poorer pensions, and why war widows will have their entitlements hit, year on year. Service personnel in Afghanistan were told, last November I think, by the Secretary of State that they would not be made redundant, but they have now been told that they have been included in the pool of people being considered. That is a very worrying U-turn by the Government. Our armed forces do very dangerous and difficult work in conflict zones all over the globe, and it places great strain on loved ones when their husbands and wives, mothers and fathers, and sons and daughters spend many months at a time away from home. Dependants, the majority of whom are women, often make huge sacrifices to support those on the front line, and we owe them just as big a debt of gratitude as we do those in combat, particularly today, on international women's day. The most important thing that we can do to go some way to repaying that debt is to ensure that service personnel and their families are looked after during and after their time in the forces, especially if their service is cut short because of injury or death.

Our military men and women deserve the best treatment for the work they do. They are not demanding special treatment on pensions; they just want to be treated fairly. By making pension changes that will hit members of the armed forces this hard, and for the rest of their lives, the Government are clearly not treating them fairly. Ministers must look again at the policy, and if they believe that it is part of their deficit reduction plan they should consider a time-limited measure during the period of deficit reduction and spending restraint. That would be a much fairer approach. There cannot be a logical reason why the bravest British soldiers fighting in Afghanistan should see their pensions reduced for the rest of their lives, and why war widows, who have had the person most special to them taken away, should have the support on which they so depend taken away.

The hon. Member for Carmarthen West and South Pembrokeshire (Simon Hart) asked whether the changes will lead to a recruitment problem. Service families have recently told me that the changes are leading to their seriously considering leaving the armed forces. I am also told that people in the armed forces are talking about their exit strategy—not our exit strategy from Afghanistan, but their own personal exit strategy from the armed forces—because of the severity of the changes.

As my hon. Friend the Member for Liverpool, Walton has noted, a Ministry of Defence spokesperson, when challenged in November on the unique nature of military service, said:

> "It is not possible to treat the armed forces differently from other pubic servants."

I am happy to remind that spokesperson of the unique nature of military service. My hon. Friend has covered some of these points, but they are so important that I will make them again, and I hope that that spokesperson listens. Service personnel are required to work unlimited hours in dangerous conditions, with no prospect of overtime, and can be imprisoned for failing to show up. Their living conditions can be very tough, and they are often separated from family and loved ones for many months at a time. They can be compelled to return, even after retiring. They forgo several political freedoms and contractual rights that other people rightly enjoy, and they are at risk of being killed or horribly maimed as a direct result and an unavoidable consequence of their service. Their pension is a serious and tangible financial compensation for those things, and the Government must bear that in mind.

The Government must be held to greater account for their approach to the armed forces, particularly on pensions. They have reversed their promise to write the military covenant into legislation, when recognising the covenant and enshrining it in law is more important than ever. Instead of writing the covenant into law, it is proposed that the Secretary of State will report annually to Parliament on the effect that membership of the armed forces has on service people, with specific reference only to health care, education and housing. Of course, those issues are vital to service personnel, their families and veterans, but there are many other issues that affect their daily lives, particularly since the election of the Government.

With the Armed Forces Bill Committee, I visited a garrison a couple of weeks ago and met several soldiers and their families. The concerns they raised were about cuts to allowances, cuts to pensions and the difficulties faced by service family members seeking employment. We have seen no movement from the Government on the issue of honouring their pledge to enshrine the military covenant in law. The Minister said on Radio 4 in February that they were defining the covenant in law. He might wish to take the opportunity to correct his remarks. Even his own team has not said that it will be defined in law—it continues to insist that it will be enshrined in law. In fact, neither is true. However, if the Government will not honour their pledge, at the very least, they must broaden the scope of the annual report on the covenant. We have proposed, through a series of amendments in Committee, that the terms of the covenant report should be expanded to include issues such as mental health care, employment and training and, crucially, pensions and benefits. It would be bizarre if the Secretary of State was required to come to Parliament and produce a report that did not reflect his or her direct responsibilities.

The coalition has so far rejected that proposal but I urge it again—particularly in the light of the letter from Chris Simpkins, director general of the Royal British Legion, to the Under-Secretary of State for Defence, the right hon. Member for South Leicestershire—to ensure that Parliament has the opportunity to scrutinise closely the current and future Governments' approach to the much wider range of issues facing our service personnel.

The chair of the RAF Families Federation told the Armed Forces Bill Committee recently:

> "At the moment, there is a real feeling within the armed forces that they are being battered from all sides."

It is easy to understand that view when one considers the Government's pension changes, their plans to make thousands of service personnel redundant and the litany of broken promises that simply do not match the rhetoric that we heard before the election. We can add to that the Government's decision to scrap major reforms to the system of inquests on military deaths, which has been described as a betrayal by forces families.

Today's debate is an opportunity to highlight the unfair impact that the Government's pension changes will have on our brave servicemen and women, and again to call on Ministers to rethink their approach. I look forward to hearing the Minister's response. It is also another opportunity to hold the Government to account for their general approach to our armed forces. In their nine months in office they have failed to live up to their pre-election rhetoric, and their actions—including the impact of the changes to pensions—have seriously damaged the sacred bond of trust between the nation and the armed forces who bravely defend our freedoms.

11.43 am

The Minister for the Armed Forces (Nick Harvey): I commend the hon. Member for Liverpool, Walton (Steve Rotheram) on initiating this debate on the effect on the armed forces of Government changes to pensions and benefits, and I acknowledge that the subject is profoundly important to many people.

Our armed forces are deployed to most demanding areas of conflict and we have a duty, not only as a Government but as a nation, to support and look after them, to care for the injured and the bereaved. That is common ground for all hon. Members. As the House knows, the priority for the Government is to bring the national finances under control by reducing the deficit, which inevitably means reducing public expenditure. That means that we have to take difficult and sometimes very unpalatable decisions in all areas of spending, including defence. Because of the priority we place on security, the defence budget is making a more modest contribution to deficit reduction relative to almost all other Departments.

However, in the comprehensive spending review and the strategic defence and security review, we have still had to take difficult decisions that have repercussions for some members of the armed forces and their families. I repeat that many of those decisions have been unpalatable. Nobody in the coalition came into politics to make cuts to the armed forces or to eliminate capabilities in our military power, but that is what we have had to do.

Gemma Doyle: Will the Minister confirm that the decisions he refers to are financial, not strategic?

Nick Harvey: I am coming to that. We have to acknowledge three things. First, the scale of the deficit is so enormous that £1 in every £4 of public expenditure is being borrowed, and the interest alone on the debt this year is greater than the entire defence budget, including the proportion being paid by the Treasury for operations in Afghanistan. That is how immense the overall deficit black hole is. That is compounded in the area of defence by the situation we inherited, where the defence budget was lagging behind the defence forward programme over the 10-year planning period by £38 billion. That is the gap between the programme that we inherited and the existing budget, set at a flat real basis, for the 10-year planning period. That is over and on top of the general deficit picture that we inherited. There is the general picture and the specific defence picture.

The third element, which I do not think was acknowledged adequately by the hon. Member for Liverpool, Walton, is that before there ever was an economic downturn, before the banking crisis hit, before the deficit became part of the political currency, there was already a problem with public service pensions,

[Nick Harvey]

which the previous Government had acknowledged and was beginning to address, and which was going to require pretty drastic action sooner or later, irrespective of the nation's finances plunging as they did. Before any of that started, there was already a serious problem with the affordability of public service pensions. We have to acknowledge all three factors as the backcloth to the decisions that have subsequently been taken.

Gemma Doyle: Will the Minister give an example of a time in the previous Parliament when either his or the Conservative party called for less defence spending?

Nick Harvey: Certainly not. We would have liked to have seen more defence spending. We would still like to see that now. The fact is that defence figures, for obvious security reasons, are not exposed to the same degree of parliamentary scrutiny as those of other Departments, and with the long lead time of many defence items, commitments stretch further into the future than they do in many other Departments. Although we were aware from Bernard Gray's report on procurement that there were some pretty serious financial difficulties inside the Ministry of Defence, it was not until we got in and saw the full scale of it that we realised how drastic the defence budget's problems were.

Steve Rotheram: I have listened carefully to the Minister, and I understand the argument that we had in the main Chamber about deficit reduction. It is not possible to throw the old line that we are deficit deniers—I am stating publicly that I understand the rationale—because if that were the case, a proposal that was time-bound until the deficit was pared down would have got some support across the Chamber. However, that is not what is being proposed. As I mentioned, it is necessary to take cognisance of the fact that, because our forces personnel and their widows draw pensions at a much earlier age, the proposed changes are compounding the problem. It is not comparing apples with apples; it is not even comparing Cox's with Cox's. A completely different set of comparators must be used, because armed forces pensions are drawn at such an early age.

Nick Harvey: The hon. Gentleman is making two different points, and I shall address each in turn. The question of the deficit must be boiled down into the structural deficit and the cyclical deficit. If all the measures that we are taking during this Parliament to eliminate the structural deficit are reversed at some point in the future, the country will simply return to square one. This Government are attempting to address the cyclical deficit through economic growth over a period, but we must eliminate the structural deficit. The structural deficit is not a temporary phenomenon. It existed before the banking crisis. It is perfectly true that the banking crisis blew the lid off it and put the entire global economy into turmoil, but the fact is that the UK was in a serious deficit situation before the banking crisis hit. That is why measures taken now to address the deficit cannot be viewed as temporary. If we start reversing prior decisions when the cycle improves and the cyclical deficit is also eliminated, we will simply return to square one.

The hon. Gentleman's second point is a fair one. On average, people leave the military and begin drawing pensions from the age of about 40. I am sceptical about some of the figures that he and the hon. Member for West Dunbartonshire (Gemma Doyle) quoted, and I need to examine them in depth to see how on earth they were arrived at, but the general point that the pension is drawn from an earlier age is valid. However, in the vast majority of cases, people who draw a military pension from the age of about 40 do not then live on it exclusively for the rest of their days. My hon. Friend the Member for South West Wiltshire (Dr Murrison) acknowledged that he receives a service pension, but that has not prevented him from going on to do other things. Of course, some will not have further opportunities, but for the vast majority of people who leave the services at about 40, the service pension augments what they can earn in other walks of life for a long period. It is not really comparable with an old age pension in the sense that I think the hon. Gentleman meant.

Steve Rotheram: It is strange that the Minister mentions the difference between the structural and cyclical deficits. If the change is being made to address the structural deficit, that existed a long time before the banking crisis, as he rightly said, but I do not remember any dissident voices from the Tory and Liberal Democrat Benches at the time saying that we should reduce armed forces pensions. Why the change? If it was known well before the banking crisis, why was it not in either party's manifesto?

Nick Harvey: The hon. Gentleman makes the point that we are having to take measures now to eliminate the deficit that we would not have taken or needed to take if the deficit had not grown over seven or eight years in the first place. Nobody in Government is saying that the precise measures that we are taking now are those that got the country into deficit, but the fact is that between 2001 and the banking crisis, we ran a budget deficit, some of it during a boom period in which traditional Keynesian economics should have dictated that we run a budget surplus.

The Government are now being forced to take drastic measures to address the structural deficit, not on the logic that these are the specific issues that built up the structural deficit, but because we must deal in the art of the possible. None of us came into politics to cut armed forces numbers or delete military capability, but we are driven to do so now by the scale of the budget deficit. It is simply not fair to say that nobody said anything. Throughout the period, my right hon. Friend the Member for Twickenham (Vince Cable) said that both personal debt and debt in the state's coffers were mounting to the point of unsustainability and would sooner or later go pop. I do not claim to have been a soothsayer myself, but to say that nobody said it is simply inaccurate and untrue.

Jim Shannon (Strangford) (DUP): I apologise for not being here earlier, Mr Streeter. I was at the Health and Social Care Bill Committee. I noticed in the paper that the Army Families Federation, which represents soldiers and their families,

> "said that it had received 2,000 complaints in the past five days about the impact of cuts from people who feel that pensions and pay changes are a sign that the offer they laid down their lives for has been reneged on".

I understand the Government's position clearly in relation to the Budget, but in the middle of it all are the families and those serving on the front whose benefits and pensions are being reduced. That is the clear issue for many of us in this Chamber.

[SANDRA OSBORNE *in the Chair*]

Nick Harvey: It is a serious issue—I do not deny that for one minute—but I think that what the hon. Gentleman refers to was an online survey run by the Army Families Federation that had 2,000 participants in its first five days. Of course there is a lot of concern and anxiety about the measures; I do not deny that for a minute. It is understandable. Some of the changes that we have had to make to the allowances package, which is what I think the survey was specifically about, are unpopular and will require lifestyle adjustments, but they are a necessary part of the Department's contribution to the overall Government effort to reduce the deficit and bring the defence budget into some sort of balance.

The strategic defence and security review set out a requirement to reduce expenditure on service and civil service allowances, amounting to £300 million a year. Allowances are designed to support service personnel in particular circumstances, not to supplement income. It is entirely right that the package of allowances is reviewed from time to time to ensure that it fits the needs and circumstances of today's armed forces fairly and affordably. There is no getting away from the fact that the measures will have an impact on individuals; I acknowledge that. However, to minimise the effects, we have concentrated on ensuring where we can that no group is disproportionately affected by changes. We have also sought to mitigate the effects by phasing in some of the changes over two years.

Operational allowances have not been affected by any of those changes. The House will be aware that we have doubled the operational allowance, backdated to 6 May last year. We have also changed the policy governing rest and recuperation for service personnel deployed on operations. Personnel deploying for six months will remain eligible for 14 days' R and R, and personnel who lose out on that, whether as a result of operations or of disruptions to the air bridge, will be guaranteed additional post-operational leave in lieu as compensation. An appropriate set of allowances is a vital part of our support to personnel, and it will remain so. We believe that the changes announced in January by my right hon. Friend the Minister with responsibility for defence personnel, welfare and Veterans, struck the right balance between the need for savings and the need to get the package right.

The emergency Budget in June announced that from this April, the indexation of benefits, tax credits and the state second pension will be based on CPI rather than RPI. The change looks forward to the future. Future increases in the value of deferred pensions—all pensions in payment—will be based on CPI. Public service pensions will continue to be index-linked, which will continue to protect individual pensions against increases in the cost of living. The change is not a reduction of accrued rights, but we accept that, in the long term, CPI tends to increase at a lower rate than RPI. That is not always true—a year ago, RPI was negative and CPI positive—but I think that everybody accepts that, over the long term, CPI increases more slowly.

We have to link pensions to the appropriate target measure. CPI is the target measure used by the Bank of England, the headline measure of inflation in the UK, and the international standard measure. It uses a methodology that takes better account of consumer behaviour in response to price increases. The Government believe that it is the right index to use for uprating additional state pensions, public and private pensions and social security benefits, and that it is a more appropriate measure.

It is in the nature of public sector pension schemes that individual schemes cannot be seen in isolation. Much as I would wish, as the Armed Forces Minister, to see the armed forces pension schemes as utterly individual, the fact of the matter is that other workers in other areas of public service could not and should not be expected to see that. We cannot change one scheme without it at the very least having implications for others, and we cannot treat armed forces pension schemes inconsistently. The armed forces are part of the society they serve. Service pensioners do not live in a different world where prices move in different ways and the economy operates in a different fashion.

Steve Rotheram: Can the Minister inform me of what the envisaged savings will be—specifically for armed forces benefits and pensions—over the next few years as a result of the change from RPI to CPI?

Nick Harvey: No, we cannot forecast that at this stage. The Treasury has taken the decision across the public service, and it remains to be seen exactly what that will realise over time. It has based its policy on actuarial assessments that conclude that, over a longer period, there will be a significant saving to the public purse.

The hon. Gentleman will be aware that Lord Hutton is in the final stages of a structural review of public service pension provision and will publish his findings this week. In his interim report, Lord Hutton noted that the most effective way to make short-term savings was to increase member contributions, but he did not recommend that in the case of the armed forces.

We recognise that there can be anomalies and do what we can to iron them out. It was unfair that, under the 1975 armed forces pension scheme, a service person who held acting rank and exercised the responsibilities of that rank, but who died as a result of service before a certain period had elapsed, did not have that higher rank reflected in his pension. We have, therefore, changed the rules. Every soldier, sailor or airman can be assured that, if they die for reasons related to service while holding acting rank, their dependants will receive payments that reflect that rank.

Steve Rotheram: I have reflected upon the Minister's answer, and it seems that the Government do not know what the total savings of this policy will be. Surely there is a ballpark figure somewhere that can be used to say that the policy will address some of the structural deficit that he identified earlier.

Nick Harvey: The hon. Gentleman is right—there are such figures, but they are held by the Treasury and have been determined by the Treasury actuaries. They have not been worked out by each Department for itself. The

[Nick Harvey]

Treasury's policy is to address the entire situation of public service pensions, which—I will say it again—were a serious problem in terms of their affordability long before the financial crisis or the downturn occurred. The hon. Gentleman will remember that, during the previous Parliament, the previous Government ran themselves into hot water with some of the public service unions due to the reforms they began to make to public service pensions.

Moving indexation from RPI to CPI is one of the ways that this current Government have identified of reducing the scale of the measures that Lord Hutton will have to recommend in terms of varying either contributions or benefits for public service pensions. I have no idea what Lord Hutton will recommend later this week, but I am certain that, on top of that, some reforms will be proposed that will be unpopular and unpleasant. However, they will be less severe than they would have had to be, because of the Treasury's switch from RPI to CPI. To answer the hon. Gentleman's question, I am sure that there are such figures, but they are not held at an individual departmental level. He might want to address his question to the Chancellor.

Let me be clear about the challenges we face and why we are considering the issues under discussion. The fact of the matter is that we inherited a record national debt and a huge black hole in the defence budget. We cannot run away from those harsh realities. Tough decisions have to be made, and we are facing up to that challenge. We accept that some of the changes will be difficult and that support for the armed forces remains very high throughout the country. We ask them to do things to keep us safe, and deny them the right to choose what assignments we set them. We will do all we can to support them, properly equip them, compensate them when they are injured and honour them when they die. We owe them nothing less.

12.6 pm

Sitting suspended.

University Admission

12.30 pm

Mr James Clappison (Hertsmere) (Con): I am pleased to have the opportunity to raise this subject this afternoon, particularly under your chairmanship, Ms Osborne. I am very pleased indeed that my right hon. Friend the Minister for Universities and Science has taken the trouble to come to reply to the debate. I am sure that those of us who are present very much appreciate that.

I begin with a tribute to my right hon. Friend who has a long-standing, deep and passionate commitment to extending opportunity and to maintaining excellence in our universities. We are fortunate to have him serving as a Minister in this Government. However, serious questions must be asked about the Government's guidance, which bears the name of my right hon. Friend, although I think it has come from the bowels of the Government. It has been issued to the director of fair access for him to pass on and to put pressure on universities.

The Office for Fair Access has an interesting background. It is a quango that was set up by the previous Labour Government, and it has a Labour-appointed chairman. I understand from what the director said on the "Today" programme that it will be given additional funding and take on additional staff. No doubt that will raise a cheer in one or two other quarters, certainly in the world of quangos, as an example of a quango that can survive and prosper even under present conditions.

I participated in the Standing Committee that considered the previous Government's Higher Education Bill six or seven years ago. Memory may play tricks over such a period, but I remember the rationale that was advanced by the Labour Government for the creation of the Office for Fair Access. My memory may be playing tricks on me, but Conservative Members opposed its establishment and voted against the Bill. We opposed OFFA in principle and did not believe that it should be set up. It may be not just that my memory is playing tricks and I may have been under a misapprehension—perhaps we opposed it because we thought that it did not go far enough. I do not know, but it is certainly going much further now—this is the important point—than the Labour Government wanted. It is going even slightly further than some Labour Back Benchers urged. The then Labour Minister, the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson), was robust in opposing some of the suggestions from his own Back Benchers because he thought that they were going too far. That is another quarter in which some cheer will be raised by the guidance that has been issued by this Government.

The guidance goes much further than the previous Government intended because it puts far more pressure, particularly financial pressure, on universities with the link between approval for charging higher fees, fee income and admissions, and it is clearly intended to go much further. OFFA's original scheme was that agreement for universities to charge higher fees—the increase under the previous Government was from £1,100 to £3,000—was made dependent on universities undertaking activities to promote applications to university, but stopping short of specifying admission outcomes.

The coalition Government now want to go a great deal further. The guidance is quite detailed and very prescriptive in what it requires of universities, and just the introduction—it gives the flavour of the guidance—says:

> "Through this letter, we want to encourage you and the higher education sector to focus more sharply on the outcomes of outreach and other access activities rather than the inputs and processes. In particular, the Government believes that progress over the past few years in securing fair access to the most selective universities has been inadequate, and that much more determined action now needs to be taken."

Mr Andrew Smith (Oxford East) (Lab): Will the hon. Gentleman give way?

Mr Clappison: I will give way to the right hon. Gentleman, but may I first say that I am happy to give way to any hon. Member who wants to intervene?

Mr Smith: I congratulate the hon. Gentleman on securing this important debate. I am following his argument with interest. Does he agree that the arrangements, critical though he was of them, that the Labour Government put in place have had an impact? For example, Oxford university's first access agreement with OFFA resulted in increased applications from students in state schools to the extent that they rose from 6,000 to 7,624, an increase of 27%. That exhortation has had an effect.

Mr Clappison: I welcome a greater number of applications from all sectors to our most prestigious universities, and the right hon. Gentleman's intervention was timely. I pay tribute to the work of the universities, including Oxford and Cambridge universities. In debates such as this, attention often focuses on those two universities, as it has in speeches by the Minister and others in the Government.

Oxford and Cambridge universities do a tremendous amount of outreach activities, certainly far more than 20 or 30 years ago. They devote a lot of effort to that. One unfairness of the approach now being taken is that the more outreach universities do, the more they are told they are not doing enough. They seem never to be able to please their bureaucratic master in the form of the Office for Fair Access. The Minister looks puzzled, but it was in his letter, which I quoted, that the Government said that progress over the past few years has been inadequate.

Mr David Lammy (Tottenham) (Lab): The power of what the hon. Gentleman is saying is important, but I passionately disagree with nearly everything he has said. Does he acknowledge that the central difference between now and previously is the level of the fee income? Will he reflect on the fact that although more young people from poorer backgrounds are at university, the number of those who make it to the most selective universities remains largely flat, despite young people from state schools getting better grades? We must understand the effectiveness of much of that outreach work.

Mr Clappison: The right hon. Gentleman raises many points, and I will try to deal with some of them as I go along. I would like to see as many applications as possible to a wide range of institutions. The students who apply to universities must be selected on merit, and the pressure that the Government are applying cuts across that principle.

Mr Lammy: Will the hon. Gentleman give way?

Mr Clappison: I have only half an hour, but if I have time at the end I will give way to the right hon. Gentleman.

Mr John Baron (Basildon and Billericay) (Con): May I suggest to my hon. Friend that in addition to quotas smacking of social engineering and lacking clear justification through evidence, they could harm the long-term economic interests of this country, which would adversely affect everyone? The answer is not quotas, but ensuring that standards in the state education system are brought up to the level that allows those within it to compete on merit, not by quotas.

Mr Clappison: My hon. Friend makes an excellent point, which I was coming to. It answers in part the point raised by the right hon. Member for Tottenham (Mr Lammy). There is a question of raising standards in some quarters of the state system, and also of raising aspirations among pupils, critically by their teachers. The universities have been playing their part, but there must be a limit at some point to how much we expect universities to do in reaching into schools and raising aspirations. Teachers have day-to-day contact with pupils, and there is a responsibility on them in some quarters to raise aspirations.

Mr William Cash (Stone) (Con): The right hon. Member for Tottenham (Mr Lammy) referred to grades. Is it not also the case that there are severe question marks about the grades that pupils are being given in the appropriate examinations before they get into university? If the grades are not up to scratch, that is effectively a back door to the social engineering to which my hon. Friend referred.

Mr Clappison: One of the crosses that the Government may have to bear as a result of that guidance is a great deal of scrutiny of grades, and comparisons between the grades that people from certain schools received, and which universities they successfully applied to. I have a lot of confidence in university admissions tutors and their approach to the job, particularly in the most selective universities.

Richard Harrington (Watford) (Con): I, too, congratulate my hon. Friend on securing this debate on an important subject. In August last year, the Minister told the *Daily Mail*:

> "Admissions policies are for universities, not for Ministers"

Does my hon. Friend agree?

Mr Clappison: That happily brings me to my next point. I imagine that the Minister will say, in his fair way, exactly what he said to the *Daily Mail* a few months ago. I am sure he will be anxious to reassure us that the Government intend universities to be free to continue to make judgments and admissions based on individual merit. However, in light of the guidance given to universities by the Office for Fair Access, I am afraid I will not able to place as much confidence in the Minister's reassurance as I would like, and it would be stretching my credulity to accept it at face value. In the long directive from the Office for Fair Access, the word "merit" appears only once after 25 paragraphs of detailed instructions to universities, backed by the threat of financial pressure. It uses the words

> "so long as individuals are considered on their merits and institutions' procedures are fair, transparent and evidence based."

[Mr Clappison]

That is the only place I can find the word "merit", and it appears in much the same place as one would expect to find the legal small print in an advertising brochure.

Dr Julian Lewis (New Forest East) (Con): As my hon. Friend may know, I voted against the trebling of tuition fees. I did that as someone who has been to one of the top universities on a maximum grant. When I applied to that university, I was looking not for privileged treatment in the admission exam, but for fair treatment, and for the ability to afford the course if I were fortunate enough to be successful. We were told that trebling fees would not put off people from poorer backgrounds from applying. We are now told that for people from poorer backgrounds to apply, we must socially engineer the people who get in. The narrative seems to have changed and it now contradicts what was said before. Instead of people getting in on merit, they are getting in on considerations of social position.

Mr Clappison: My hon. Friend's point will be widely shared and many people have come to the same conclusion. There is always a problem with such attempts to compensate. Even though bursaries are rightly awarded to people from lower-income families, there will always be a family on lower-middle income, or in straitened circumstances, who remain just above the level at which bursaries are awarded. They are called the "squeezed middle". When the previous Government introduced fees at a much lower level, my right hon. and learned Friend the Secretary of State for Justice raised that issue as a particular problem with the fee system, and it is a matter to which we must devote some research. We all want students to be encouraged to go to the university of their choice and not to be discouraged by their financial circumstances.

Mr Lammy *rose—*

Mr Clappison: Will the right hon. Gentleman contain himself because I have a number of questions to put to the Minister? I hope there will be other chances to debate this matter.

I have some questions arising from letters that I have received from my constituents and independent schools in my constituency. Is it not the case that universities are being put under tremendous financial pressure to come into line with the outcomes that central Government wish to bring about through the Office for Fair Access, irrespective of the principle of merit? As advocated by the Government, the principle of merit is a face saver, but the reality is that the financial pressure on universities puts them in an invidious position. Universities are told the outcomes they are expected to achieve, and financial pressure is put on them because they will not be able to charge the fees they wish if they do not achieve those outcomes. That cuts right across the principle of merit, which, much as Ministers may talk about it, cannot be sustained in light of the detailed guidance provided.

Will the Minister explain why the first access performance indicator relates to

"the percentage of students admitted from state schools or colleges"?

Given that a clear majority of pupils, including those who apply to the most prestigious universities, come from state schools, how does that equate to disadvantage? The headmaster of an independent school in my constituency wrote to me about the Government guidelines:

> "The principle of widening access to university is an excellent one. But I know you will share my concern that disadvantage should not be equated with education in the state sector. Any lack of social mobility in the UK has causes that start even at the pre-school level: attempts to fix them at the point of university entrance are dangerous, misguided and unfair. Independent schools have large numbers of disadvantaged pupils receiving financial support: they do not deserve to be discriminated against."

Ministers seem particularly interested in admission to Oxford and Cambridge, and although there are many other good universities, they choose to focus particularly on those. Is it the Government's case that a lower proportion of independent school students who are admitted to Oxford and Cambridge go on to obtain a first-class degree than students from other backgrounds? That would appear to be the gist of the Government's justification. Will the Minister supply evidence of a difference in degree performance between state sector and independent sector school students at Oxford and Cambridge? Even if the Government are able to provide such evidence—it will be interesting to see whether they can—surely that would be a matter for Oxford and Cambridge to take into account, and to exercise their judgment independently, without pressure from the Government.

A number of hon. Members may wish to ask questions of the Minister. To conclude, let me say that we all share—certainly in the Conservative party—the objectives of promoting excellence and spreading opportunity. However, in light of some of the interventions I have received, the Minister must explain how the Government's plans for influencing university admissions will help raise standards in schools where standards need to be raised, and how they will help to raise aspiration. Should the Government not focus on improving standards in schools, establishing a positive ethos and, above all, raising expectations? I believe that is happening in the Education Bill, but the guidelines hardly seem like a vote of confidence for that. Would that not be a better course to take, and rather more in line with our traditional principles and ways of thinking, than the route taken in the guidelines, which are bureaucratic, complex and impose considerable burdens on universities? Above all, as I have said, the guidelines put significant financial pressure on universities. That cuts across the principle of admission on merit and sits uneasily with the Government's creditable objectives of abolishing top-down targets and promoting localism and decentralised decision making. We must devote more time to this matter as there is a lot of interest in the debate from all parties. I hope that the Minister will begin, in his very fair manner, to give some indication of the Government's thinking on this issue, and tell us what evidence lies behind it.

12.48 pm

The Minister for Universities and Science (Mr David Willetts): I am grateful to my hon. Friend the Member for Hertsmere (Mr Clappison) for securing the opportunity to debate this important issue. As he was so generous in what he said about me personally, let me reciprocate. I understand his personal commitment to what he rightly described as the principle of merit—meritocracy. I would argue that equality of opportunity, rather than equality of outcome, is a key principle that the Conservative party believes in and that is probably shared by all parties.

The question is about how we apply the principle of merit and ensure meritocracy. The argument that we in government have gone though is as follows. First, we would all accept that, when going to university, merit involves some assessment of potential, not just what has already been achieved academically. Let us put ourselves in the position of an admissions tutor at one of the universities that my hon. Friend mentions. Let us say that two 18-year-olds present themselves. One has had an incredibly tough upbringing and been to a rather mediocre school with low educational standards, the other has had every advantage in life and benefited from high-quality schooling, but they have the same A-level grades. We would probably all intuitively reach a judgment about who had the higher underlying intellectual merit.

Dr Julian Lewis *rose—*

Mr Baron *rose—*

Mr Willetts: We might go further and say that the student who had lower grades but who came from the tougher background might have higher potential than the other student. That is our starting point. I see that requests for interventions are already piling in. I will accept brief interventions.

Dr Lewis: My right hon. Friend is, as always, extremely kind. I say to him that as someone who was in that position—someone who came from a poor household—I was prepared to be judged on the marks that I got, even though people in competition with me went through, shall we say, more advantaged educational processes, because once we start monkeying around with the grades and saying that the person with the higher marks should not get the place, we are in very dangerous and subjective territory indeed.

Mr Willetts: I hope to show my hon. Friend that it is not subjective, but absolutely it has to be about merit. I am not aware of any major higher education system in the world that says that the sole criterion for getting in is the exam marks that a person has already achieved. I would be interested to know whether my hon. Friend even believes that our own universities have ever solely used exam marks already achieved, rather than considering merit by including some assessment of potential.

Several hon. Members *rose—*

Mr Willetts: I see that a lot of Members want to intervene. There are nine minutes to go. I shall give way to the former Minister.

Mr Lammy: I just want to confirm what the Minister said. Entrance to university in this country has always been based on attainment and achievement, potential, and aptitude to perform. There is lots of academic evidence that children from poorer backgrounds who get to universities do better than those from independent schools.

Mr Willetts: I shall now give way to my hon. Friend.

Mr Baron: My right hon. Friend is being generous. Is that not the point? No one could disagree with equality of opportunity. We are trying to assess potential. However, it is not for the Government to assess potential; it is for the universities to assess potential. That is the key point, and something that I think the Minister is missing.

Mr Willetts: I agree that it is for universities to assess potential. Let me take hon. Members through the next stages of the argument. There is a disagreement of principle. I am surprised that people could imagine that our universities have ever simply gone on academic marks already achieved. My understanding of how they have always operated is that they have tried to assess potential, and an understanding of merit does indeed involve consideration of the aptitude for future academic accomplishment. The question is how that should be done. Historically it has happened, but it has been done on a discretionary basis. We all have a picture in our mind of the elderly Oxbridge don sucking at his pipe as the interview candidates come through and assessing who might be best able to benefit from such an education, making an assessment that goes beyond simply the marks that they have already achieved.

However, it is very hard to operate a system on the basis of the personal discretion of the don or academic in a world in which, first, we are dealing with mass higher education; secondly, it is very important that those judgments be transparent and not be capricious, because otherwise they could be on the basis of personal bias; and thirdly, those judgments should be legally defensible. That is why it is very important that we have objective evidence.

Let me now turn to the legitimate challenge from my hon. Friend the Member for Hertsmere: do we have any evidence? I shall cite two papers that try to get to the heart of the issue by assessing the relative chances of people getting a good degree when they go to university. There have been two recent studies, and experts will be able to assess their rigour. There has been a study of Oxford and a separate study in Bristol. Both examined the likelihood of getting a good degree, measured as a 2:1 or a first. We could apply what I would regard as a defensible, meritocratic criterion: we will accept students on the basis that they will have an equal chance of getting a 2:1 or a first. The studies found that students who came from schools where there had been particularly high academic standards got higher A-level grades relative to their chances of getting a 2:1 or a first than prospective students from other backgrounds.

I therefore hope that my hon. Friend the Member for New Forest East (Dr Lewis) will accept that, if we are to apply the principle of merit, one reasonable way of doing so would be to accept students on the basis that we are considering potential, based on an equal chance of getting a 2:1 or a first. Otherwise we would not be applying the principle of merit. We would be selecting students because they had good A-levels, rather than on the basis of their academic merit.

Mr Clappison: My right hon. Friend was kind enough to supply me with a copy of a speech that he had already made in which he referred to that evidence. He drew certain conclusions from it, which he has just

[Mr Clappison]

referred to. The three authors of the report were called Ogg, Zimdars and Heath. Has my right hon. Friend read the whole report?

Mr Willetts: I confess—it may be a rather sad confession—that I have read the whole paper. Of course, there will be continuing dispute about its content, but I have read it. The question is, having gone this far—

Mr Clappison *rose—*

Mr Willetts: I will give way, but we have only four minutes left and I want to respond to another challenge; I am getting behind on the challenges.

Mr Clappison: How does my right hon. Friend square what he has said with the conclusion of the report, to which he did not choose to refer? The authors of the report said that there was a slight difference between state and independent schools and it ought to be taken into account. However, it already was taken into account by academics in the admissions process. The report says that

> "according to earlier research using the OAS data set, the selectors at Oxford in fact appear to already discount the GCSE grades of private school students...One might therefore be tempted to suggest that the selectors at Oxford have done their job of getting the best students to Oxford fairly well."

The authors go on to say that there is no evidence of under-performance by private school students.

Mr Willetts: The crucial thing is that what universities have said they expect of us, quite reasonably, is a framework for their decisions that is—I shall quote our letter to OFFA—"fair, transparent and evidence-based". Let me turn, in the few minutes left, to the crucial issue about universities. I value the autonomy of universities. We are not telling universities whom to select. We operate within a legal framework that goes back to the Further and Higher Education Act 1992, which makes it absolutely clear that it is not for Ministers and the Government to determine the admission of students. What we are trying to do is, quite simply, ask universities to choose and set out for themselves the criteria that they will use to ensure that we are not wasting talent in this country because there are children whose underlying abilities are being hidden by bad education.

Of course we hope that in the long run our school reforms will mean that that problem disappears, but as a Conservative I have to deal with the world as it is, and teaching standards in secondary schools diverge. I hope that when teaching standards in all secondary schools are the same, these types of exercise will not be necessary, but while teaching standards in secondary schools diverge, the assessment of potential cannot be based simply on the points that someone has achieved in their A-levels or elsewhere. Universities have to be able to exercise that judgment. They ask, quite rightly, for a framework from us, and we make demands of them. We agree that the criteria should be fair, transparent and evidence based. There will not be quotas. There will not be a specific requirement on a university to select people on a specific basis.

However, universities will have to show what they are doing to broaden access so that children from the most disadvantaged backgrounds, who are clearly under-performing when it comes to getting to our most selective universities, have a fair opportunity to go there. Otherwise, we will not be delivering meritocracy. We will be rewarding the people with the best A-level grades; we will not be choosing the best and brightest to go to our research-intensive universities. That is morally wrong; it is not the principle of meritocracy and it is economically wasteful.

We can no longer rely on the old discretionary procedures, because they would be too capricious and they would be subject, rightly, to legal challenge. We have to have mechanisms, put forward by universities, that are fair, transparent and evidence based. Universities tell us that they understand that and welcome the fact that we are providing guidance and that they will not have to impose quotas. They will ultimately be deciding, on a case-by-case basis, on the merits of the individual person. However, that judgment must be based on assessment of potential, and assessment of potential can no longer be done on the basis of personal whim and discretion. They have to have something that is defensible to all of us as fair, transparent and evidence based. That is what our letter to OFFA is about. I believe that it passes the tests that my hon. Friend the Member for Hertsmere has set out. It is consistent with the principle of merit; indeed, it is necessary to deliver the principle of merit. It does not intervene in the individual admissions decisions of universities and it is evidence based.

I look forward to continuing these exchanges with my hon. Friend, because I fully understand his passionate commitment to equality of opportunity. That is a principle in which all in our party believe.

Voluntary Sector (Nottingham)

12.59 pm

Lilian Greenwood (Nottingham South) (Lab): May I say what a pleasure it is to serve under your chairmanship, Ms Osborne?

The voluntary sector in Nottingham is doing a huge amount for our city and its citizens. It provides services, support and advocacy to a wide range of groups, including some of the most vulnerable in society, as well as raising awareness, campaigning and fundraising. It also offers thousands of volunteering opportunities, which are important in strengthening our civil society and sense of community, but which also provide vital experience and skills to people seeking to move into paid work. Finally, of course, it provides employment to many people who are committed to making Nottingham a better place to live.

There are 678 registered charities in Nottingham. Nottingham Community and Voluntary Service, the local support organisation for the voluntary and community sector, has more than 1,000 local groups on its database, including charities, community groups and social enterprises. I am grateful to have the opportunity today to pay tribute to the fantastic work that the voluntary sector carries out in Nottingham, but I also want to express the hope that action can be taken to protect the sector before it is too late. I must tell hon. Members that Nottingham's voluntary sector faces a crisis brought on by the Government's spending cuts and the particularly severe reduction in funding for our local authority.

In its response to the city council's budget consultation, the NCVS has stated that

> "we believe that direct support to the sector from the council in 2010/11 totalled approximately £47.5 million. This is testament to both the strength of our local voluntary sector and the spirit of partnership working developed over many years by the Council".

It is clear that Nottingham is already doing what the Government say they want local councils to do by using specialist providers in the community and voluntary sector to provide services to local people.

Over the past week, Delia Monk, the local government correspondent for our local paper, the *Nottingham Post*, has revealed the impact that spending cuts are having on the many different groups that make up the sector. The paper has done the community a great service by bringing the crisis to public attention and explaining how and why it should matter to us all.

Local groups face this funding crisis because of Government decisions to cut local authority funding too far and too fast. The Government claim that Nottingham's spending power will be reduced by 8.4% in 2011-12, but the actual figure is 16.5%. That masks even deeper cuts to needs-based grants, which have now been rolled up into the total settlement. Those cuts include the scrapping of the working neighbourhoods fund and the future jobs fund and the 48% reduction in Nottingham's allocation for Supporting People.

Anna Soubry (Broxtowe) (Con): Will the hon. Lady give way?

Lilian Greenwood: No, I am sorry, but my time is very limited.

The evidence for those cuts has been set out in an exchange of correspondence between the leader of the council and Ministers. NCVS anticipates that £47.5 million of council funding for the voluntary sector last year could shrink to about £29.5 million this year, which is a 38% drop. That reduction includes the loss of £7.5 million from the working neighbourhoods fund and £3.5 million from the future jobs fund, £7.6 million of cuts to Supporting People funding, cuts to commissioned services and likely reductions in grant aid and in-kind support.

Although cuts to local authority funding are the biggest worry for local groups, they come alongside big changes to the way groups can access alternative funding. Those changes include, for example, the introduction of charges and direct payments for social care and the upheaval in the health service, which is also a commissioner of services. Some groups will also be hit by the Government's 60% cut in funding for asylum advice and the decision to end entirely funding for advice to people with refugee status. Refugee Action has been forced to leave Nottingham and to offer only outreach from its Leicester office. Legal aid cuts will also prevent Nottingham's advice agencies from responding effectively to increasing local need.

Last Tuesday, the *Nottingham Post* reported that 40 services in the city and the county are at risk of closure.

Anna Soubry: Will the hon. Lady give way?

Lilian Greenwood: I am sorry, but I have said that my time is very limited.

By this morning, that list had grown to include 35 services that are due to close, 16 that are at serious risk of closure and 12 that will be reduced. Those include services for children, such as play sessions and toy libraries, help and support for teenage parents, services for the mentally ill and their carers, a handy person scheme for the elderly and projects supporting women and children suffering domestic abuse. The support service for those who are homeless, or who could become homeless without adequate support, is particularly hard hit.

In the time available, I cannot possibly set out the full range of support services that will be lost as a result of this Tory-led Government's choices, or describe individuals and families and the ways they will be affected, so I intend to focus on three issues: how the reductions in Supporting People will impact on not only service users, but the wider community, and how they will cost us all more than they save; how opportunities for volunteers and volunteering will be undermined rather than enhanced; and how employment and the local economy will suffer.

The previous Government introduced Supporting People funding to provide housing-related support, such as services to support homeless people and services to help individuals with learning disabilities or mental health issues to live independently in their own homes and to participate in the community. An independent evaluation by Capgemini for the Government in 2009 estimated that national expenditure of £1.6 billion generated net savings of £3.4 billion by avoiding the need for more costly acute services. I know from my own casework that the lack of proper support for vulnerable people—for example, those with mental health issues or substance misuse problems—can lead to difficulties with neighbours,

[Lilian Greenwood]

require intervention by the local housing office, police and health services, and ultimately threaten people's tenancies.

Framework is a homelessness charity based in my city, which provides housing, support, training, care and resettlement services. It often works with those groups that are most marginalised and stigmatised, including ex-offenders, people with a history of alcohol or substance misuse, and Gypsies and Travellers. In addition to being a direct provider of services, Framework heads a number of consortia of smaller specialist organisations that fulfil contracts commissioned by the city council.

Of the £22.3 million the city council spent on Supporting People services last year, approximately £7.5 million was spent through Framework contracts. In 2011-12, that figure is due to fall to approximately £3.5 million, resulting in the complete loss of 10 services and reductions in a further two. The 10 to be closed include specialist floating—that is, home-visiting—services for people with problems related to the use of illegal substances and alcohol. Such services have helped more than 500 service users in the past year. Other services to be closed include floating support for teenage parents, which supported 128 young people in 2010-1, a 16-bed hostel and five supported move-on flats for young people with complex needs. Without such support services, people with real needs face the prospect of getting into difficulty with their rent and housing, not looking after themselves or their home properly, becoming isolated and possibly placing a much greater burden on local services. Such people do not have a strong voice and do not always enjoy widespread public support.

We should be concerned about these cuts, because we are compassionate and care about social justice, but even on a more practical level, they are short-sighted in the extreme. It will cost us all more to deal with problems when they become urgent, when they could have been avoided through less expensive preventive measures. That is the principle behind the early intervention work pioneered by my hon. Friend the Member for Nottingham North (Mr Allen), for which our city is rightly recognised. There will also be non-financial costs because of the distress caused to service users, their families, their neighbours and people in their local community. Many of us remember the sight of rough sleepers on our city streets, and none of us wants to return to those days, yet the Government's actions make that a real risk.

The Government claim that the national Supporting People budget has not been significantly reduced, but it has certainly been redistributed away from areas of high need. Nottingham is the 13th most deprived local authority in the country and is suffering the 21st largest reductions in formula grant funding, whereas Windsor and Maidenhead, which ranks 323rd in terms of deprivation, has seen its spending cut by just over 1%.

In Nottingham, the council has sought to cushion the impact on the voluntary sector by not passing on the impact of the full cuts—almost £10 million in 2011-12—to Supporting People. With the reductions already being made to other parts of council services, the ability to protect the sector is limited, and it is inevitable that front-line services will be affected now and in the years to come.

The second area that I want to highlight is the impact on volunteering. Given that the Government have said that a key objective of the so-called big society is

> "encouraging and enabling people to play a more active part in society",

it seems incomprehensible that they are making cuts that undermine the very organisations that provide those opportunities.

Anna Soubry: Will the hon. Lady give way?

Lilian Greenwood: It is normal to ask in advance of the commencement of a debate whether it would be okay to intervene. I am afraid that the hon. Lady did not do that, and I am short of time, so I will not. I am sorry.

Nottingham volunteer centre supports groups to recruit and retain volunteers, as well as helping potential volunteers to find suitable placements. In the past year, the centre matched about 2,500 people with volunteering opportunities in the city. A recent survey also found that volunteers in Nottingham gave more than 1 million hours of their time free, to support local people. If the volunteers were paid for their work, it would cost more than £14 million. In less than four weeks, all funding to support volunteering in Nottingham will end. The volunteer centre is affected by the scrapping of the working neighbourhoods fund and the national youth volunteering programme, vinvolved—eight members of staff are losing their jobs. The Government plan a new national citizen service for young people, but, as far as we are aware, none of those projects will take place in Nottingham, and the valuable expertise and infrastructure that has been built up in the city will soon disappear completely.

In Nottingham, more than half the volunteer centre's service users were aged 25 or under, and when I visited the project recently I was impressed by the commitment and skills of the staff. Last year, 16% of the people supported by the V project were classed as not in education, employment or training. At a time of record youth unemployment, when one in five young people is unable to find work, it seems both cruel and foolish to cut off that vital link to skills, training and confidence for the most disadvantaged groups. That is best summed up in the words of a young woman who at first doubted her ability to make a worthwhile contribution through volunteering.

> "I doubted myself…who was I kidding to think I could do something so mature like help at a hospice. I called Charmaine at Vinvolved to tell her that I didn't think could do it. She was brilliant…she reassured me….I'm so glad I called her as I was ready to give up….3 months have passed and I'm still volunteering. My confidence has grown loads…. I really feel like I am making a difference."

With 40% of the centre's users out of work at the time they come in to volunteer, not only will the loss of the service reduce the opportunities available for people to retrain and improve their skills and employability, at a time when demand for the service is expected to rise, but it will deprive dozens of organisations of potential volunteers. Unfortunately, as local community and voluntary sector groups are unsure of the future of their own services, they are also losing the capacity to recruit and train volunteers. In most cases having fewer paid staff will mean fewer volunteers, not more.

That brings me to the third point that I want to highlight, which is that the cuts will lead to a significant reduction in employment. Nottingham city Unison, the local union branch that represents many voluntary sector staff in the city, reports that more than 1,000 members have been placed at risk of redundancy. Others face proposals to make significant cuts to their terms and conditions in a sector where pay is not generally high. NCVS-commissioned research from 2010 indicated that voluntary organisations benefit the local community by employing local people, so the job cuts and pay cuts will affect the spending power of hundreds of families in Nottingham. Coupled with job losses in local government, the police, the health service and the construction industry, following the Government's decision to cancel investment in new school buildings and better social housing, they will further undermine the ability of our local economy to recover from the recession.

I could say so much more. On the 100th anniversary of international women's day it is particularly saddening to read of the loss of services for women, such as the closure of Noelle House, the only gender-specific homelessness service in the city, and the loss of courses for teenage parents run by Platform 51, formerly the Young Women's Christian Association, which were funded by the local primary care trust. The Women's Voluntary Action Network is so concerned that it has appealed to the Minister for Women and Equalities to intervene. Black and minority ethnic communities will also feel the effect of the Tory-led Government's decisions. Tuntum housing association reports cuts of 80% in its Supporting People funding, which will remove all the assistance it provides for vulnerable young people, primarily from BME backgrounds, and particularly young women.

I have no doubt that the Minister will say that the cuts were inevitable and that what I have described is the legacy of a Labour Government who left the national coffers empty, but people in Nottingham are not gullible. They understand that the money spent on British schools, hospitals and police officers did not cause the recession that was felt in Ireland, France, Greece and the USA. They know that we had to borrow money to bail out the banks and that tax receipts plummeted, making the deficit inevitable. They also know that the decision to cut the deficit as deep and fast as the Government are doing is a political choice. My concern is that that political choice will have devastating effects in the city I represent, and that those bearing the brunt are the very people who are least able to withstand it, including the poor, the old, the young, the disabled, the mentally ill and the homeless.

The Minister will doubtless say that that is the fault of Nottingham city council, but not a single Communities and Local Government Minister would meet representatives of the council or the city's voluntary sector when they came down to Westminster last Monday to voice their concerns about the unfair settlement imposed on our city.

Anna Soubry: Will the hon. Lady give way?

Sandra Osborne (in the Chair): Order.

Lilian Greenwood: Perhaps the Minister will also say that the council should cut backroom functions and make efficiency savings. Well, it is already doing those things, cutting corporate services by 20%. It has already reduced the chief executive's pay.

The debate in our local press has brought the work of the voluntary and community sector, which often goes unnoticed, to the public attention. I hope I have been able to highlight some of the work under threat. It has also raised questions and concerns among the people whom we serve, and now I want to put those questions before the Minister. How can it be fair for councils that serve the most disadvantaged communities to suffer the deepest cuts? How can we expect people to take responsibility for themselves, while at the same time cutting away the support they need to do so? What good is talking about a big society while removing the infrastructure that it needs? Nottingham people want answers, and I hope that the Minister has them ready.

Sandra Osborne (in the Chair): I just want to point out that in half-hour debates the Chair's practice is to call the Member who obtained the debate, and the Minister. The Chair will call other Members to speak only if the Member in charge and the Minister indicate in advance that they are content. Whether Members accept interventions or not is a matter for them.

1.17 pm

Chris Leslie (Nottingham East) (Lab/Co-op): Thank you, Ms Osborne. *[Interruption.]* There is a sort of chuntering noise somewhere in the Chamber. I do not know whether it is the microphone. Perhaps it is picking up some interference.

Anna Soubry: Will the hon. Gentleman give way?

Chris Leslie: I thought it might be the hon. Member for Broxtowe (Anna Soubry). I will give way if I can just speak for a couple of minutes. *[Interruption.]* If the hon. Lady will allow me—

Sandra Osborne (in the Chair): Order. The hon. Gentleman is not accepting an intervention.

Chris Leslie: This is not very becoming of the hon. Lady. Some might say that she is plucky in the way she is disrupting the proceedings, but others might say she has quite a lot of brass neck. *[Interruption.]* We are talking about a subject that is incredibly serious, and there should be all-party consensus on the matter, given that we are not talking about hanging baskets, coffee mornings or other such elements of the voluntary sector; we are talking about homelessness and people who may well find they have nowhere to reside, if their current accommodation closes.

Without getting into too much detail about the grant formula settlement, the simple point that I want to make in my couple of minutes is that homelessness charities and hostels are the things that most people will feel particularly strongly about. They are, after all, the last resort for many of the people who are in greatest need. They provide specialist support and acute help for people with mental difficulties, drug and alcohol problems and learning disabilities. My hon. Friend the Member for Nottingham South (Lilian Greenwood) mentioned the charity Framework and some of its hostels. In my constituency I am particularly concerned about the closure of the Handel Street centre, which specialises in dealing with drug and alcohol problems. The new Albion hostel with 21 flats is potentially under threat. My hon.

[Chris Leslie]

Friend mentioned the Noelle House closure. There is also Acorn Lodge in St Ann's, which is run by the Salvation Army, for homeless people over 55.

The consequences are obvious in terms of rough sleeping and potential disorder, but it is the ill health issues that worry me most, such as the knock-on effects on accident and emergency, bed-blocking and so forth. We are expected to believe in the big society, but I wonder whether it is realistic to expect private philanthropy to fill the void in what has been the historical support for these services. That is my concern. I urge the Minister to reconsider the quick withdrawal of this grant support given that there is no alternative plan.

Anna Soubry: I am grateful to the hon. Gentleman for giving way. Over the years, Nottingham city council has spent excessive money not only on political advisers for the Labour group, but on promotional publicity, foreign jaunts and the like. It is unfortunate that the Labour-run city council did not use that money—taxpayers' money—on the very services that he now is so keen to protect.

Chris Leslie: I had a feeling that the hon. Lady would want to make a political point. As predicted, some would say that she has a brass neck intervening on that point, given that it distracts from the primary issues that we face. There will always be examples of lower levels of expenditure on which local councillors will disagree, but given the sums involved—it is in multi-millions of pounds—it is not credible for the hon. Lady to say that that is the driver for the withdrawal of some of those services.

Anna Soubry *indicated dissent.*

Chris Leslie: The hon. Lady disagrees—she has her point of view—but we have to do more to help the homeless in Nottingham and in my constituency.

1.21 pm

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): It is a great pleasure to serve under your chairmanship, Ms Osborne.

I congratulate the hon. Member for Nottingham South (Lilian Greenwood) on securing this debate. She started by paying an extremely sincere tribute to her local voluntary community sector and her local paper. I began to lose respect for her speech, however, when she failed to recognise the difficulties faced not only by the Government, but by those trying to govern local authority areas.

The situation is horrendously difficult for everyone. The hon. Lady spoke of political choices, but I did not go into politics to make spending cuts, and I doubt whether the people on Nottingham city council did so either. The cuts were forced on us by the shambles that resulted from the previous Administration's stewardship of our public finances, but she showed no recognition of that. I leave to one side whatever happened in the past to the administration of the various Nottinghamshire councils.

Mr Mark Spencer (Sherwood) (Con): I am grateful to the Minister for allowing me to intervene, given the short time that he has left. Is he aware that Nottingham city council has compensated two previous chief executives that it could not get on with, has sent an executive to the south of France on jollies and has hired a cherry picker to remove conkers from a tree? Would it have been better to spend that money on the voluntary sector rather than wasting it like that?

Mr Hurd: My hon. Friend makes a powerful case, which brings me to my next point. However difficult this environment may be, it boils down to local choices, and local choice is often dictated by decisions taken in the past.

Those are local choices, but it is clear to me that the picture is very different around the country, with some local authorities—perhaps they were better run in the past, with a greater eye for efficiency and spending on what is really valuable—being in a position to minimise reductions to the voluntary and community sector. Indeed, places such as Reading and Wiltshire have increased investment, or are engaging in a process with that sector that is more transparent, more up-front and more engaged. There is a mixed picture across the country.

I know from personal contact with representatives of Nottinghamshire's voluntary community sector that there are problems on the ground. I wrote to every Member of Parliament offering to meet members of the local voluntary community sector, and I know that my hon. Friends the Members for Broxtowe (Anna Soubry) and for Sherwood (Mr Spencer) took up my invitation. I met representatives of the sector there, and they directly expressed their concerns to me, which were principally about how the county council had managed the process of engagement.

In the little time that remains, I shall try to set out our stall and say what the Government are trying to do to help in this incredibly difficult situation. Clear messages have been sent to local authorities on the best way of behaving in this situation. The Prime Minister gave a clear steer, asking councils to cut their cost bases and make their own efficiencies before starting to think of making what might seem to be easy cuts to the voluntary sector. That is what my local authority has done, and many others are doing so, too.

That approach is clearly not happening across the piece, however, which is why I am delighted that my colleagues at the Department for Communities and Local Government have gone further. They are urging local authorities to be much more transparent about their spending on the voluntary and community sector, so that the people whom we represent can see what is being done in their names and exactly what choices are being made—for instance, decisions on county hall salaries compared with cuts for the local voluntary and community sector. The public have a right to know what is being done in their name.

Anna Soubry: I am grateful to the Minister for giving way. It is most unfortunate that of all the local authorities in England, it is Nottingham that still refuses to publish expenditure of more than £500. One wonders what is the problem—what has Nottingham got to hide?

Mr Hurd: That is certainly the question in my mind and in the mind of the Secretary of State for Communities and Local Government. We, in Parliament, know the power of transparency—we know that it gives real power to citizens. In this instance, the public have the right to know how their money is being spent and what choices are being made. We are trying to help by sending a strong steer to local authorities and allowing the public to make up their mind about local decisions.

We have set aside £100 million of taxpayers' money—a significant sum—as a transition fund to help voluntary sector organisations. Many are finding themselves terribly exposed to cuts of grant or in contracts, and need some help to get out of the hole—as long as they have a plan to do so. We continue to invest on behalf of the taxpayer in that sector. My Department has a budget of £470 million, and we structure what we do around three questions.

First, we ask what we are doing to make it easier to run voluntary community sector organisations. That involves cutting red tape to make it easier for those who have the incredibly difficult job of running small charities or civil society organisations. We continue to invest in the infrastructure that exists to support the sector. We want to make it much more effective.

Secondly, we ask what we can do to get more resources—both time and money—into the sector. We published a Green Paper on giving, which will become a White Paper. We are well on track to deliver a big society bank, which will make it much easier for social entrepreneurs to access capital, and we are coming up with new programmes such as the National Citizen Service, which I hope will be available in Nottinghamshire before too long. We are about to commission next year's pilots, with 30,000 places. I urge the hon. Member for Nottingham South to engage with it when it arrives, as it will be an enormously positive opportunity for local young people, and a fantastically good process of connecting them and giving them the power to make a contribution to community.

Last but not least, we ask ourselves the question, "What can we do to make it easier for charities, social enterprises and voluntary organisations to deliver public services?" The sector delivers about 2% of contract value, but we would like it to do much more. We are working towards publishing a White Paper on public service reform, which will specifically address what should be done to open up the public service markets to more competition. Under it, charities and social enterprises will have the opportunity to deliver more public services, with some of the real value being in supporting those people mentioned so eloquently by the hon. Member for Nottingham South. In my experience, with some of the really difficult things—getting the long-term unemployed back into work or keeping people out of jail or off drugs—really valuable work is being done by quite small community organisations or social enterprises. We want to level the playing field to make it much easier for such organisations to deliver public services.

Lilian Greenwood: Will the Minister give way?

Mr Hurd: I shall not give way, as this is my last minute and the hon. Lady spoke for a long time.

None of this is easy, but we are actively trying to help the sector and local authorities through the difficult process of managing this transition. We want to minimise the damage in the short term, and maximise the opportunities for the voluntary and community sector so as to unlock the potential that is out there for improving more lives.

Eco-island Strategy (Isle of Wight)

1.29 pm

Mr Andrew Turner (Isle of Wight) (Con): I am glad to be speaking today about eco-island. A group of environmentalists saw the opportunity to make the Isle of Wight the first truly sustainable region in Britain. As this issue clearly transcends departmental responsibilities, I understand that the Minister may not have all the information at his fingertips. In terms of being able to demonstrate sustainability, the island is almost perfect. It is a microcosm of the mainland, with a manageably sized population and a well-defined border. It is the perfect place in which to bring to reality a vision of living in balance with the land.

The Isle of Wight has great natural beauty, but it is not Utopia; it is faced with many challenges. It is dependent on the mainland for much of its food, power, water and fuel. To become truly self-sustaining, fundamental changes, both physical and social, must be made. To attain the eco-island vision, the energy equation must be addressed.

At present, the island is almost entirely dependent on the coal and oil-fired power stations on the mainland. Eco-island would introduce a whole new raft of technologies to change that. The Isle of Wight needs 575 GW-hours of electricity to become self-sufficient. Much of that could be achieved with a mix of solar voltaic panels on the roofs of social and private housing; solar thermal addressing some of the hot water and heating needs; wind, tidal and geothermal power; and energy recovered from waste recycling. The feed-in tariff designed for small installations supports the roll-out of photovoltaic technologies on a domestic scale. Solar farms on agricultural land may not be the best solution, but panels in business parks, and even awnings over car parks, could provide a significant amount of energy.

The feed-in tariff is currently under review. I am sure that the Department of Energy and Climate Change recognises that such schemes can successfully promote renewable energy across a broad range of properties. I hope that that will be taken into account when decisions are made about the future of the feed-in tariff and other schemes that are designed to promote renewable energy.

A number of other positive initiatives are on the horizon. The renewable heat incentive should be implemented as set out in consultation papers. It could make a massive difference to the number of installations of ground and air-source heat pumps, combined heat and power plants fuelled by biomass, and solar thermal systems. Currently, eco-island plans need certainty about the level of the RHI to encourage enough individual householders to take up the scheme. Will the Minister give an indication whether the RHI is likely to be introduced at the planned levels?

The Isle of Wight is blessed with more sunshine than almost anywhere else in the United Kingdom. It has a superb natural environment and could harvest a vast amount of energy direct from the sun. For workable plans to be put in place, the Government must maintain their commitment to renewable energy generation. Eco-island has already gained a good deal of interest and support.

With the support of the local council, the chambers of commerce, tourism and local businesses, the Eco-Island Partnership, a community interest company, has been formed. The partnership is led by David Green, who is personally so committed to sustainable living that he has turned his own home into a show home for renewable technologies.

The new partnership will act as a conduit and funding vehicle for the roll-out of new green technologies. A number of strategic projects and initiatives are already in the pipeline, including the installation of solar panels, free of charge, on social housing. While the panels are generating, the tenant will get a contribution to their energy needs. The feed-in tariff payments will cover the financial investment and generate funds to invest in other green community projects on the island.

A key area for long-term investment is helping people and businesses to reduce energy use. Energy conservation projects, in tandem with renewable energy generation, will make the eco-island goal of carbon neutrality easier to achieve quickly and economically. The focus will be on making existing housing less power-hungry both to improve living standards and to cut energy bills.

Eco-island is not just about solving the energy equation. As part of the vision, other challenges will be addressed. Electric cars and bikes will be introduced, thereby reducing dependence on fossil fuels. Public transport will be promoted. The use of water will be cut, thus reducing the island's dependence on supplies from the mainland. Local produce will be collected from farmers via a local food hub to supply shops, hotels and restaurants that are keen to "buy local". The Eco-Island Partnership is also engaged in discussions about acting as a vehicle to manage a whole-island waste solution. It seeks to cut landfill to zero, generate heat and power as by-products and stop waste being transported off the island.

Chale is one of the least populous parishes on the island, but it has 70 social houses and flats. Some of those ideas have already been piloted with the Chale community project, which received welcome support from DECC last year. Solar panels and effective insulation were retro-fitted in 1960s houses. All windows were replaced, and air-source heat-pumps installed with new wet-radiator systems and tanks. That led to carbon savings of about 50% and reduced energy costs to tenants by up to 30%. Some 1,500 further installations are now planned by the housing associations themselves working with the Eco-Island Partnership. That project proves that DECC funding, properly directed, can, as intended, produce a ripple effect, increasing the renewable energy infrastructure.

There are even bigger challenges. As more energy is produced, the balance of the grid will slowly shift. The Eco-Island Partnership will install "smart meters" to assist in managing peak supply and demand. The technology will gather and monitor data and shape demand, fitting it more closely with the availability of renewable energy. Until they are used to the system, people will receive messages telling them when solar panels are active or wind turbines are turning in their area. Put simply, when renewable energy is being generated, they will be reminded to put their washing on. Ultimately, homes may be semi-automated, with smart meters activating appliances when renewable energy is available.

The Eco-Island Partnership has started that work and the Isle of Wight is the perfect place in which to roll out the technology. The benefits will be measurable and quantifiable, but it is undoubtedly a difficult technical challenge. Can help be made available, in the form of knowledge and technical expertise, to ensure that the right technical solution is found for the island? The benefit of that will be that once the right technology is in place and thoroughly trialled, the solution can be promoted throughout the rest of the UK.

Part of the eco-island plan is to launch the greenback card, which will promote the benefits of renewable energy and offer discounts to members of the community. The card is designed to deliver significant savings to the average island family throughout the year. The Eco-Island Partnership will work towards improving the quality of life, increasing the island's sustainability and reducing the cost of living for eco-islanders, all at the same time.

There are also plans to create an eco-centre visitor attraction on the island, which would be used to demonstrate renewable energy technologies, showcase the science of new builds and engage people in the process of becoming more sustainable. Activities will be related to growing, managing woodland, arable farming and livestock. All the materials used would be local and the technology would be capable of being updated. Approaches have already been made to schools with a view to their using such a resource to support the curriculum. The centre could also provide a valuable focus to support the development of eco-tourism on the island from the British isles and from further afield. Why not provide people with a showcase of how sustainability can work and of what a future sustainable society might look like? I would be grateful if Government officials explored with David Green of the partnership whether any support might be available for this education work.

Representatives of the Eco-Island Partnership are talking to major companies about possible employee volunteering schemes, in the hope of attracting top talent to help it with its work. BT and a number of other companies have agreed to help. A training scheme could be developed with the Isle of Wight college, which would offer all the necessary building industry qualifications and train up to 30 young people a year for jobs in the renewable energy sector. Those young people could work as apprentices as renewable technologies are installed.

Green businesses will be attracted to the island. Eco-technology companies will enjoy a business incubator environment and they will be at the centre of sustainable technology development. In time, the partnership hopes to act as an "eco-dragons den" for new business ideas, offering start-up loans and pump-priming new initiatives and opportunities on the island.

I would be grateful if the Minister indicated his support for these efforts to encourage eco-businesses. The partnership would like to receive help from DECC or the Department for Environment, Food and Rural Affairs to identify where assistance is available for green business start-ups and employment training. Much of the funding for these plans will come from the private sector. The Eco-Island Partnership can provide a vehicle for individuals and investment companies to invest in ethical green community projects and it can act as a "one-stop shop" for a variety of investment projects. The partnership is also working to establish a dedicated eco-island equity fund, which would allow investors to contribute directly to its work.

When viewed as a whole, eco-island looks like the big society in action. When the big society bank comes into existence, I hope that the Minister will make representations to ensure that such schemes can apply for support from it. The Eco-Island Partnership regards the eco-island vision as being in tune with the big society ideas and localism.

The Eco-Island Partnership is representative of a community that is trying to take some of its destiny back into its own hands, by seeking to address the big issues and the realities that the community will face, as well as working towards a better quality of life for local business people, residents and visitors to the island. The partnership is also trying to convey that message of sustainability to the rest of the UK and to places further afield. The eco-island vision for the Isle of Wight is ambitious but it is grounded in reality. The projects that the partnership is engaged in are large and challenging, but they address the problems that we face as a nation while remaining focused at the level of the island itself.

The people behind eco-island are resourceful, pragmatic and highly motivated. They care passionately about the island. They view the various energy and environmental challenges as opportunities to find solutions that will benefit the eco-island community and ultimately—hopefully—the nation as a whole. The eco-island team would welcome the opportunity to have discussions with Ministers and officials to explain the eco-island strategy in more detail and to explore ways to develop the concept in line with Government aims.

1.44 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): It is a great privilege to serve under your chairmanship, Ms Osborne.

I congratulate my hon. Friend the Member for Isle of Wight (Mr Turner) on securing this debate and I also congratulate his constituents on what is really a remarkable project. It is great to hear about this ambitious plan, which has the potential to be an exemplar for sustainable development in action.

Just last week, my Department announced our plans for mainstreaming sustainable development across Government. The plans aim to ensure that sustainable development is at the heart of everything that we do, from the way that we make our policies to how we operate our estates and procure our services. Our "greening Government" commitments were announced at the same time and they set out challenging goals for Departments to achieve in reducing waste and greenhouse gas emissions and in the steps that must be taken to address adaptation to climate change and sustainable construction. The Government need to show that we can get our house in order, to inspire others to do the same. The eco-island strategy is a good example of a community recognising the need to do more to secure a sustainable future.

I realise that many of the issues that my hon. Friend has raised are perhaps more relevant to my colleagues in the Department of Energy and Climate Change. However, I am here today and I can assure him that DEFRA and DECC are two Departments that are joined at the hip, and we are working closely together on our sustainable

[Richard Benyon]

policies and on our greening of Government. There is a considerable overlap between the two Departments and I will try to address the points that he has raised.

My colleagues in DECC recently announced their carbon plan, which is a cross-Government action plan on climate change backed by the Prime Minister and the Deputy Prime Minister. It sets out strict deadlines and actions for Whitehall. The new carbon plan sets out what must happen and by what date if the Government are to live up to our green ambitions, by meeting our tough domestic carbon targets and encouraging greater action internationally. The plan is focused on the jobs and economic opportunities of the low-carbon economy, and on policies that will help to insulate Britain from future energy price shocks. It precisely addresses the points that my hon. Friend has outlined about the impressive eco-island scheme.

The carbon plan is published in draft today, with the Government inviting the public and organisations to give their views on its contents. A final version will be published in the autumn. I hope that the people involved in the eco-island project on the Isle of Wight will have a chance to see the plan. We can learn from what they are already doing.

My hon. Friend talked about green jobs. We must recognise the importance of that issue. We know that it has been a huge issue on the Isle of Wight and received considerable publicity not long ago. It is great to see that there is a determination among those who are in business or in local government on the island to try to ensure that the island becomes a hub of green-growth jobs, and they are being led by my hon. Friend.

At least 1,000 green deal apprentices could receive Government funding towards their training, which might be an opportunity for the Isle of Wight. The apprentice scheme is part of our plans to reduce carbon emissions and to insulate the UK's homes and businesses against rising energy prices. That is an important announcement that might be of interest to people on the Isle of Wight.

Regarding green skills, my colleagues in DECC continue to work with the sector skills councils and the National Apprenticeship Service to ensure that the provision of skills matches demand. NAS and the Engineering Construction Industry Training Board are working together to increase the number of apprentices within the engineering-construction sector, to meet the future demand that will be created by major energy projects. There is great potential for synergy between the eco-island strategy and what we are doing in Government.

The opportunities offered by a move to a low-carbon economy are huge. In 2008-09, the global market for low-carbon goods and services was worth £3.2 trillion and it is forecast to grow by about 4% in the next five years. There are major opportunities for businesses to use energy more efficiently. They could save £3.3 billion per annum on energy bills through cost-effective measures. It has been interesting to hear how businesses on the Isle of Wight are embracing some of the technologies that promote energy efficiency. The market size of the UK low-carbon environmental goods and services sector rose to £112 billion in 2008-09, which represented an increase of 4.3% on revised figures for the previous year. The sector is the largest in the world.

My hon. Friend asked about the renewable heat incentive. The Government are committed to a massive expansion in renewable energy, of which supporting renewable heat is an integral part. We remain committed to the ambition to move from 1% to 12% of all heat generated being from a renewable source by 2020. The renewable heat incentive represents an investment of more than £860 million over the spending review period, and it will drive a more than tenfold increase in renewable heat over the coming decade, shifting the industry from the fringes to the mainstream. In the next day or two, we hope to publish measures to support renewable heat, within the budget agreed at the spending review.

Finally, on my hon. Friend's points, I was particularly interested to hear him talk about Chale. The scheme there is remarkable and, with the support of organisations such as the Ellen MacArthur Foundation, it appears to be bringing an entire off-grid rural community out of fuel poverty with an integrated approach to reducing carbon. That is really impressive. Additional funding is provided by the social landlord, to ensure that the properties are upgraded to the decent homes standard, and the Ellen MacArthur Foundation supports the project management and behaviour change elements of the scheme. The entire village will benefit from the social improvements, and a number of photovoltaic installations throughout the estate will feed a community-managed funding initiative to ensure that the project continues to support improvements in the village for years to come. I commend the people involved on their enlightened approach, from which we can all learn for our constituencies elsewhere around the country.

The cross-Government adapting to climate change programme, based in the Department for Environment, Food and Rural Affairs, supports local authorities in preparing adaptation strategies, including through the nine English climate change partnerships, the UK climate impacts programme and work undertaken with the Local Government Group. The adapting to climate change programme is also undertaking the UK's first climate change risk assessment, which is due to report in January 2012, and which will inform the development of the Government's first statutory national programme of action to prepare the country for climate change. Local authorities will need to play a key role in delivering on that important agenda, and it seems that the Isle of Wight is way ahead of the curve.

The Localism Bill will radically reform the planning system to give local people new rights to shape the development of the communities in which they live, including through neighbourhood plans. During this year, the Government will consult on a national planning policy framework, which will set out in a single, concise document our broad economic, environmental and social priorities, and how those priorities relate to each other. We are seeking, therefore, to do at a national level much of what the Isle of Wight is doing locally. The reforms will ensure that the majority of planning decisions are made at the local level, with the minimum of interference from Whitehall, empowering local authorities to achieve sustainable growth alongside environmental improvements and an improved quality of life for communities. The vision that my hon. Friend has described is precisely that which we seek to encourage, and I hope that the people involved will feel appreciated and valued for what they have done thus far, and for what they will do in the future.

We are also taking sustainable travel seriously. In January, the Department for Transport announced the introduction of a new local sustainable transport fund, providing £560 million for sustainable travel schemes. The January 2011 White Paper "Creating Growth, Cutting Carbon: Making Sustainable Local Transport Happen" sets out the importance of sustainable transport systems such as those in the eco-island strategy. The benefits from improved public transport and from encouraging modal shift away from car use to walking and cycling are clear, and these types of scheme often offer the best value for money. The Government understand the problems that councils have in maintaining their road network, and in February the Department for Transport announced, following the recent severe weather, that extra funding of more than £100 million would be given to councils for the repair of potholes.

The coalition also believes in work towards a zero-waste economy, and my hon. Friend touched on that. To ensure that we have the right policies to achieve that aim, the Government are conducting a thorough review of all aspects of waste policy and delivery in England, and the preliminary findings will be published in May 2011.

We recognise the benefits that the marketing of regional and local food can bring to producers and consumers alike. Shoppers increasingly want to know how the food they buy has been produced, and what its provenance is, and the established tourism industry in the Isle of Wight is ideally suited—I cannot think of anywhere better—to benefit from this Government's determination to expand local food networks and identify key brands. Despite the evidence not being conclusive, we all know that local food is better for the environment. When production, processing and distribution systems are similar, choosing produce that has travelled a shorter distance can result in lower transport emissions. That must be one of the most obvious comments ever made in the House, but the opportunity for communities such as the Isle of Wight to benefit from such a strategy is enormous.

Finally, I shall mention the natural environment White Paper, which is a major piece of work being carried out by DEFRA, offering both large and small communities a vision of how we want to manage our natural environment, and how we value it and will continue to value it. I commend that important work, which will be published in a few weeks' time.

I have spoken about several issues, which are linked by the fact that they all highlight the importance of sustainable development. Sustainable development covers everything we do, and is reflected in our recognition that decisions should not be taken in isolation. I look forward to hearing more about the progress on the eco-island strategy. I commend the people involved in it, and I commend my hon. Friend both for raising the topic in the House and for his leadership in the area.

Question put and agreed to.

1.57 pm

Sitting adjourned.

Westminster Hall

Wednesday 9 March 2011

[Philip Davies *in the Chair*]

Disability Living Allowance

Motion made, and Question proposed, That the sitting be now adjourned.—*(Bill Wiggin.)*

9.30 am

Hywel Williams (Arfon) (PC): I am glad to have secured this timely debate on the reform of the mobility component of disability living allowance—the debate could scarcely be timelier. I am also grateful to the hon. Members who are here, as well as to those who have expressed their interest but cannot be here. Lastly, I am grateful to the many organisations that have provided briefings to me and others for this debate.

Disability living allowance is highly valued. Currently, the lower rate is £18.95 and the higher rate is £49.85. As the response to the Government's consultation states, DLA, and attendance allowance before it,

> "had a major positive impact on recipients' lives…DLA recipients of working age were unanimous in expressing views that DLA made a big difference to them."

Many people depend on DLA. With some reservations, I say that the application and decision making processes are clear. I will refer to that later, but at least we know where we stand. Research also shows that DLA is unlikely to be subject to fraud: the Department for Work and Pensions estimates fraud at 0.5%, the lowest rate in the entire benefits system. The system seems to be working. As a rural MP in north Wales, I know that DLA is particularly valuable to people in rural areas, who generally face intense problems with mobility. The money can transform people's lives.

My concerns about the Government's proposals relate to the assessment system, the threats to automatic entitlement, the extension of the waiting period, mobility payments for people in residential care and assessments regarding the use of aids and adaptations. However, my overarching concern is about the prospect of cuts of up to 20%. If cuts are made, who will pay for them? I strongly suspect that it is people with a disability who will be hit.

To rehearse the history, the mobility element of DLA was introduced in its earliest form, mobility allowance, by the Conservative Government in 1973. At the time, the Government were responding to the consensus between parties and civil society organisations that something had to be done to address the changing circumstances in which people with disabilities were living. They were living, living longer and living in the community rather than in residential care, and they were often younger than the disabled people who would have been living in the community 10, 20 or 30 years earlier. The world was changing, and the attendance and mobility allowances were introduced in response.

I have personal experience of those allowances. A close relative of mine, a young person severely injured in a car accident, was in just such circumstances in the early 1970s and was living in the community after extended medical treatment. At the time, mobility allowance made all the difference. It transformed his life then, and it still does now, given that he lives in a remote rural area and depends on his own transport.

The Government say that DLA needs reform. I agree, but my grounds for reform might be somewhat different from theirs. I think that the application process can be a disincentive. Many people have come to me, as their MP, in dismay over the substantial form that must be filled in, and I have been glad to refer such people to the citizens advice bureau. I pay tribute to the CAB's work in the benefits field in general, but its expertise in the particular instance of DLA is truly inspirational. The application process could be changed.

I worry about take-up. There are few current statistics about the level of take-up of DLA and the mobility element of DLA. I did a bit of research with a colleague and found a reference to research in 1998, more than 10 years ago. The family resources survey estimated take-up of the mobility element at between 50% and 70%. Will the Minister tell us, now or by letter, whether any more recent estimates of the take-up have been made? I think that many people do not claim DLA or DLA mobility, even though they would clearly benefit from it.

As I have said, the application process could be improved. The number of successful appeals suggests that the initial assessment is not what it should be. Also, the DLA mobility element is age-restricted. Mobility allowance was initially subject to age restrictions—it was confined to people between 25 and 45—which were gradually expanded over the years. However, as one elderly constituent said to me recently, that benefit, which would help older people with mobility problems, is deliberately denied them by the age limits, which seems somewhat paradoxical. Will personal independence payments for mobility awarded before retirement continue to be paid afterwards, as DLA is at present? People are worried, perhaps unnecessarily.

The Government are proposing changes, as we will see this afternoon, and introducing PIP. The proposals will be subjected to detailed debates. As I have said, I worry about the possibility of 20% cuts and share people's concerns and perception that there is a problem.

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the hon. Gentleman on his success in securing this debate. He has returned to the issue raised in the press of the possibility of a 20% cut in the numbers applying. If we take that figure with his earlier figure of less than 1% fraud or abuse of the system, we see the inevitable consequence that, even if the Government's reductions target all those who fraudulently abuse the system, more than 19% of those targeted will still be genuine claimants, who will suffer unnecessarily.

Hywel Williams: The hon. Gentleman makes an excellent point. The fundamental question is who will pay if cuts are made. The people squeezed out of the system will be genuine claimants who are disincentivised, or people with lower-level needs.

I am concerned by the Government's conflation of the arguments about promoting the take-up of work and the need for reform. DLA literally helps some people get to work, but it is not a work-related benefit; it exists to assist with the additional costs of living with impairments or long-term health conditions. There is a

[Hywel Williams]

coincidence between receiving DLA and experiencing difficulty finding work, but that means only that work for people with a disability is scarce. DLA is a marker rather than a cause, as the consultation paper seems to suggest. The work problems that I see confronting people with a disability involve ignorance among employers about the value of disabled workers. But perhaps, Mr Davies, I am straying into a subject beyond the strict bounds of the mobility element.

I am concerned about mobility and people in residential care. When I first thought of applying for this debate, that was the main issue that I wanted to address, as it is of concern to a great number of people. I certainly welcome the Government's decision to delay the provision and to review it until 2013. That is unsurprising, given the view of the Social Security Advisory Committee, which said:

> "This measure will substantially reduce the independence of disabled people who are being cared for in residential accommodation, which goes against the stated aim of the reform of DLA to support 'disabled people to lead independent and active lives'."

I very much welcome the postponement, but it is only a postponement and people are concerned.

David Simpson (Upper Bann) (DUP): I congratulate the hon. Gentleman on securing this debate. A Library research paper notes:

> "The DLA mobility component is however not affected if a person is in a care home. In a written answer in 2005, the then DWP Minister Malcolm Wicks said that this was because 'care homes do not cover mobility needs'."

It is now 2011. Does the hon. Gentleman agree that nothing has changed and that more than 90% still do not provide that?

Hywel Williams: The hon. Gentleman makes an interesting point on a subject to which I shall refer later. Another concern is that the loss of the mobility component and of the Motability scheme in particular would have an effect on families with children in residential schools and their participation in family life.

The possibility of direct payment of money to claimants to fund their self-assessed mobility needs would be relatively simple compared with the complexity of ensuring that a residential setting provided similar, individually tailored mobility provision. We hardly need to think about the comparison. Many disability organisations have pointed out that current contracts do not provide an element of mobility. If the move is towards tackling duplication, as the Government see it, will we merely require the renegotiation of contracts as opposed to any other cost-saving change? Will such a renegotiation be at a further cost to the public purse?

I do not want to dwell on this issue—time is short—but I draw the Minister's attention to the fact that health and social services in Wales are devolved. Changing the benefit system run from London does not necessarily mean that local authorities in Wales and the Welsh Government will follow what happens in England. I should perhaps point out the complications of a general welfare system that is run by two Governments—one concerned with care, the other with benefits—with possibly different priorities. I will not go down that route today, but it is a further complication that the Government need to consider between now and 2013.

Jim Shannon (Strangford) (DUP): Some Members present will be aware that the level of those with a disability in Northern Ireland is greater than it has ever been compared with other parts of the United Kingdom. Does the hon. Gentleman share my concern, as an elected representative, that, under the proposal to reduce 20% of DLA claimants, which will save £2.1 billion, it will be those people who need DLA who will lose out?

Hywel Williams: I suppose that that is the overarching concern behind all this. Eventually, some money might disappear, and the question is who will pay it. That is unclear at the moment. Many years ago, I used to repeat endlessly to some of my more starry-eyed social work students that, "It is not as simple as that," which is a general rule for politics.

I was a young social worker in the late '70s. I have promised the Minister that I would not use a lot of Welsh, but, inevitably, I would like to make one little point. I used to take some of my clients out on social occasions to try to improve the quality of their lives, and the only practical way to do that at that time was by minibus. It was a big, yellow minibus, which said on the side, "Cymdeithas Plant Araf eu Meddwl," which translates as the society for mentally handicapped children. Needless to say, the people with whom I worked were neither children nor mentally handicapped, which was a loaded term even then but, for the non-Welsh-speakers present, "araf eu meddwl" is even more loaded—it literally means "slow of mind," so I was taking people out in a big, yellow bus that said that they were slow of mind. I would say, therefore, that social security and social and health provision have developed over the past 30 to 40 years towards a more normalised provision, based on autonomy and choice.

If we depend on institutions to solve people's problems of mobility, we will soon get institutional answers, which is something we should avoid.

George Hollingbery (Meon Valley) (Con): I congratulate the hon. Gentleman on securing the debate. Does he not think that there is room for some standardisation or effort by central Government to ensure that those who are in residential settings and need mobility have at least some consistency of provision across the board? Surely, without that, there would be as much confusion as there would be otherwise.

Hywel Williams: I agree entirely with the hon. Gentleman. The provision in the public and private sectors of residential care needs to be looked at, but should that be done by reforming DLA in the way proposed? Would that be a blunt instrument? Are there other ways that that can be done?

Guy Opperman (Hexham) (Con): As someone who lost to the hon. Gentleman in the 2005 general election—I represented, in a poor standard, the Welsh Conservatives in the former constituency of Caernarfon—I am particularly enjoying his passionate reverie of the 1970s. It is beyond question that he represents his constituency very well indeed. We all accept that there is likely to be a degree of cuts ahead. Does he accept the need for this issue to be reformed?

Hywel Williams: We can take a look at DLA, but that is the budget that I would cut almost last, because of its targeted nature and its efficiency and because of the needs of those who receive it and a host of other reasons. I accept the hon. Gentleman's general thrust—everything should be open to review and reform—but I would start elsewhere before addressing the provision under discussion.

Jim Shannon: Surely, the real concern for many people is that 20% will become a target that must be achieved. If so, the target, rather than the people affected, will become the be-all and end-all of the achievement. Surely, the Government must say, "Let's make improvements, but not set a target."

Hywel Williams: The problem with targets, of course, is that they must be fulfilled, perhaps at the cost of the needs of individual claimants. I would start by looking through the other end of the telescope to see what the system of assessment and so on generates, rather than—I do not think that this is what the Government are actually doing—by imposing a rough, across-the-board 20% cut.

I must press on, because other hon. Members are anxious to contribute to the debate. My further concerns centre on the proposed assessment system. The current system assesses via a variety of sources of information—the claimant, a carer, a support worker, a GP, a specialist, a physiotherapist and so on—and I worry that, by slimming down that evidence to one assessment based on specified activities, the impact of disability on the individual may be missed. We have experience of using medical assessments in employment and support allowance applications. Like many other hon. Members, a large amount of casework in my constituency has been generated by the operation of that system.

As I said, I have received a number of briefings. An interesting and striking one came from the National Autistic Society, which suggested that those carrying out assessments will possibly fail to recognise the needs of people with conditions such as autism. I am concerned that reassessments should be fair and accurate, especially in relation to the suitability of people who have fluctuating conditions or mental health conditions. We must accept that mental health conditions are particularly difficult to assess.

Another concern relates to the proposal on delay, because increasing the waiting time to six months may cause hardship, although people with terminal illnesses will continue to have no waiting period.

Automatic payment is also a concern. I shall not go into that now, other than to say that the current system allows automatic payment in certain self-evident and extreme conditions—for example, double amputations. I am worried that automatic reassessment of those cases might lead to a waste of public money. If we remove those automatic entitlements, it may increase the cost of assessment and lead to the same outcome as we had under the original system—such people might still receive the higher rate.

On aids and appliances, it has been pointed out to me that if too much notice is taken of their use—particularly in unfamiliar situations—and that leads to a loss of money, it might be a disincentive to people using them. Will that be a disincentive?

As I said earlier, I am very happy that attention should be paid to the needs of disabled people. I am happy to consider the benefits system for disabled people at any time, but I worry that the proposals will not be much help. I am glad that the provision in respect of people in residential care has been delayed until 2013, and I look forward to contributing to the debate between now and then.

In summary, I fear that the changes might limit lives and increase disability poverty and demand for mental health services. Consequently, they might increase the demand for primary care services and lead to a loss of employment. Those fears might all be laid to rest by the Minister's response and as the debate progresses over the next months and days—I accept that entirely—but it is important to put such concerns on the record.

9.53 am

Tony Baldry (Banbury) (Con): As co-chair, with Baroness Pitkeathley, of the all-party group on carers, I am grateful to be given the opportunity to speak in this debate. The reforms will affect carers as much as they will affect those who are being cared for. The hon. Member for Arfon (Hywel Williams), who introduced the debate, said that his main concern is about the mobility component of DLA for those in care homes. That is the matter that I wish to discuss.

In a letter to all parliamentary colleagues, the Minister states:

> "We want support for care home residents which takes account of their individual needs and safeguards some of the most vulnerable members of our society, whilst also ensuring that the taxpayer is not paying twice for this provision. It is vital that we get this reform right, and that is why we are taking the time to do so."

It is helpful that Ministers have decided to postpone any decision until 2013. I know that the Minister has taken enormous personal care to ensure that the Government get this right. I was grateful that, following our last debate on the issue, the Minister kindly came to Banbury and visited Agnes Court, which is a home run by Leonard Cheshire in my constituency.

I am trying to sort out in my mind how we approach the matter, and I have a number of questions that I wish to ask. As I understand it, Ministers are saying that local authorities, in the contract that they have with care homes, should provide sufficient funding for residents to have the opportunity for independent living. It would be helpful for hon. Members if the Department for Work and Pensions explained that route. Where in primary legislation is the responsibility on local authorities to provide for that element when residents go into residential care? That is an important point because if one does not have an understanding of the statutory basis upon which local authorities have that responsibility, apart from anything else, it is difficult to know when one could bring judicial review on the basis that they were not providing that which Ministers say that they should provide. Part of the reason for these reforms is that Ministers say there is an overlap and duplication of funding. We need to understand exactly where it is said that such duplication is occurring.

I also have a slight concern that if one puts a greater responsibility on local authorities to provide an increase in the contract fee that they pay to residential care homes, a number of local authorities will say that rather than sending those who may need care in a residential setting into residential care, they will try to provide them with care at home. The Minister met one or possibly two residents of Agnes Court in relation to

[Tony Baldry]

whom the local authority funding their place is considering withdrawing funding because it is finding it too expensive and it wants the person to be supported at home or elsewhere.

We need to have an understanding of what Ministers believe should be the model contract between local authorities and care homes, and what the obligations on the residential care homes are in relation to this. Let me make it absolutely clear that everyone is doing their best in what are often very difficult circumstances. What was clear from talking to people at Agnes Court is that they have very little contact with the local authority. The local authority obviously rightly believes that Leonard Cheshire Disability runs a fantastic home and provides a fantastic service and that there is no need for a local authority to find out what is going on there. What is the model contract? What is it that Ministers believe, first, that local authorities should be funding and, secondly, that they should be requiring of care homes?

The Minister will have met people in Agnes Court who have used the mobility component of DLA to purchase a wheelchair of superior quality to that which they could have obtained through the NHS—one person in particular has certainly done so. I am talking about a very bright man who has been a long-term resident of Agnes Court. He is almost blind, but his intellect is razor sharp, as I know from the letters and e-mails he has sent to me over many years. Indeed, at one general election, he organised a hustings for parliamentary candidates, so that we could discuss disability issues. He has used his mobility competent to buy a wheelchair, which seems a sensible thing to do given his circumstances. Would that be possible if the funding were coming through a local authority contract to the residential care home?

Nicky Morgan (Loughborough) (Con): I entirely agree with my hon. Friend about how helpful the Minister has been in responding to constituents' concerns on the matter—her letters have been very much appreciated. Does he agree that some of the points that are unclear relate not only to the overlap between what the local authority should fund and what is covered by DLA, but to the activities that local authorities will pay for? Constituents have told me that local authorities fund travel only to a doctor's appointment or to day care, and not to enable disabled people to participate in everyday activities. Such activities are important to them, but might not be important to the care home or the local authority.

Tony Baldry: My hon. Friend makes an incredibly good point. I—and I suspect many hon. Members—would like and welcome a route map from the DWP. I sometimes feel that policy relating to that Department is a bit of a secret garden. I am always a bit reticent about entering into the garden, because I usually use the wrong words—the mobility component of disability living allowance for those in residential care, is in itself quite a mouthful.

What is it—I entirely agree with my hon. Friend the Member for Loughborough (Nicky Morgan)—that we, or those in residential care settings, can expect to be provided? After all, let us remember that what we have here are a very wide range of human beings who are individuals and constituents. Stephen Argyll, the person to whom I just referred, is intellectually very bright, but almost blind and has difficulty getting around. Some are in Agnes Court because they have learning difficulties, and some are there because they are suffering distressingly from degenerative illnesses, such as Parkinson's disease. There is not just one group of people, but a large number of individual human beings who have different histories. For example, many are married and still wish to maintain their relationship with their husbands or wives, go shopping, and so on. I also understand, however, that Ministers are concerned that this can be an expensive provision, if what is being provided are individual, tailored mobility vehicles that are not being used much each week by individual people. If there is an overlap with other funding that is supposed to go to care homes from the local authority, that is also a concern.

David Simpson: Will the hon. Gentleman give way?

Tony Baldry: I am conscious that lots of other hon. Members, including, I am sure, many from Northern Ireland, wish to take part in the debate.

I suspect that all of us want to engage constructively with constituents who have concerns about this matter, but we want to do so positively and be conscious of the legitimate concerns of Ministers that the system is not working. The Minister has stated:

> "We will not remove the mobility of disabled people but we will remove the overlaps and gaps inherent in the current system."

I want to understand where the Minister sees the overlaps. Where does she see the gaps? Please can we have a lay person's guide that we, as colleagues, can take when we talk to constituents in this situation, so that they understand the issues and that we understand the examination question that we have been set. I know that there is an exam, but I am not confident yet that I fully understand the examination question.

I appreciate that the decision has been delayed until 2013, but Ministers will at some point have to be clear, and send a clear signal about post-2013, for the following reason. The Minister will have met, when she was at Agnes Court, large numbers of people who have entered into leases and other contractual arrangements for mobility vehicles. There need to be transitional arrangements so that if there is a change in the regime and the rules in 2013, people do not suddenly find themselves with a period of time to pay a contract without the wherewithal to do so. If Ministers are coming to the view that at some point they will change the rules, it would probably be helpful to give a clear signal of their intentions so that people have a clear understanding of that and make dispositions accordingly.

10.3 am

Mr Wayne David (Caerphilly) (Lab): I should like to refer to one case in particular: that of Mr and Mrs Owen and their deaf and blind son Jordan. They attended my surgery some months ago and explained the situation in which they find themselves now and what they fear might happen in the future. Their son Jordan is a big lad—17 years of age. He currently attends the Trinity Fields special school in Ystrad Mynach and is in receipt of disability living allowance and the mobility component as well. The family put that to good use and provide mobility for him and the family. In the near future, when he becomes an adult, he will leave the special school and go to a residential home. However, it is likely that that residential home will not be anywhere near where he lives in Tir-y-Berth, Hengoed. It is likely to be in Monmouth, or possibly in England. There is a real concern among the family that, because of the changes that may come about, he will no longer be in receipt of the mobility component of DLA.

Jordan is a member of an ordinary working-class family. He has tremendous support from his parents, and from the charity Sense, which has done excellent work with the family. Naturally, however, when he does go to a residential home, the family will want to visit him and take him out from the home and give him the best experience of life possible for that young man. The family is concerned that, if the mobility component is taken away, they will not be able to visit him as frequently as they would like or to take him out from the residential home. In fact, they might have to leave to one side the opportunity of going to a residential home, even though that would probably be best for him, but ensure that he stays at home, so that they can give him proper love, care and support. That would obviously not be the best for him, and probably not the best for the family as a whole.

I should like to make it clear that I am not against welfare reform. In fact, I am strongly in favour of welfare reform. What I find difficult to understand, however, is the rationale of making someone like Jordan so fearful for his future. There could well be a cut. Of course, I can understand the financial saving to the state, but that is not what welfare reform should be about. That is why I am particularly concerned about clause 83 of the Welfare Reform Bill. It is important when we talk about welfare reform that such things are made fair and streamlined, but particular care must be taken to ensure that people such as Jordan do not lose out. For example, I was concerned that, when the Prime Minister was asked about changes to the mobility component at Prime Minister's Question Time, he said:

> "our intention is very clear: there should be a similar approach for people who are in hospital and for people who are in residential care homes."—[*Official Report*, 12 January 2011; Vol. 521, c. 282.]

I simply point out that the needs of people in hospital are not the same as those of people in care homes. That is a fundamental point. We need to move away from the mechanistic, bureaucratic approach and to recognise that people in residential care homes have particular needs, and the Prime Minister, to start with, should recognise that.

I hope that we have a respite. The Government have said that they will delay implementation for at least 12 months. I hope, however, that in the interim the Government will look at cases, such as that of Mr and Mrs Owen and their son Jordan, and recognise that welfare reform must be tailored to the needs of individuals, so that young men like Jordan do not lose out.

10.8 am

Richard Fuller (Bedford) (Con): It is a great pleasure to speak in this debate, and I congratulate the hon. Member for Arfon (Hywel Williams) on securing it. I wish to declare an interest—I am chairman of two domiciliary care service companies. They are not in receipt of disability living allowance, but they deal with adjacent issues. I welcome the debate. In particular, I welcome the Minister to her place.

The fundamental question that went through my mind when the announcement was made was what it said about our attitude towards the decency with which we allow people to lead their lives. What does it say about how we are prepared to protect the most vulnerable in our community at this difficult time, with the significant financial challenges inherited by the Government? That was made real for me by the visits of constituents; families who care for their sons, daughters, mothers, fathers, cousins and uncles, and who have to create that sense of independence every day for their loved ones in care homes.

In particular, it is my pleasure to recognise the campaigning work of Mr and Mrs Ogaza from my constituency—Mrs Ogaza is here today—on behalf of not only their son Paul, but other families. I thank the Minister for taking the time to meet me not once but twice—the second time to listen to Mrs Ogaza—and for her visit to a care home in Shefford, near my constituency. That is emblematic of how much she is trying to reach out and listen, and to understand this complex area. Indeed, that complexity is at the root of the Government's attempts to deal with the question of decency. There is nothing decent about the system that is in place if it provides a patchwork of services for recipients in different parts of the country. There is nothing decent about a system that does not ask our care home providers tough questions to ensure that they are actually providing the services that we would like.

Guy Opperman: Is not the biggest test for the future to have a road map where things are clearly signposted and understood? Whatever the reason for the system being in the state that it is in, comprehension and utilisation would then be much clearer.

Richard Fuller: My hon. Friend is absolutely correct. He echoes a point that was made by my hon. Friends the Members for Banbury (Tony Baldry) and for Loughborough (Nicky Morgan). This is an opportunity to provide a clear map of the requirements and also to identify, not in a naming and shaming way but in a positive way, what local authorities and care homes should provide and where evidence shows that they are falling short.

I believe that this is the second debate on disability living allowance that the hon. Member for Arfon has secured. Is that correct?

Hywel Williams: No.

Richard Fuller: I am sorry. It is the second debate that I have attended on the subject. It shows how important it is to hon. Members that we get the correct answers. This debate is a bit more heartening in that it is not focused so much on cuts. The Minister needs to lay this to rest: the changes are not being made to reduce funding but to ensure that the funding that is available is directed in a way that gives clarity to families and the recipients of care in various care homes. It is extremely important that that message is made clear. *[Interruption.]* If hon. Members disagree, we need to continue to bring that to the Minister's attention. I fundamentally do not believe that that is the intent of the policy, and I look forward to listening to those who think differently.

[Richard Fuller]

I should like to thank the 27 charities—the number is growing—that have provided information to other hon. Members and to me in their reports, "Don't Limit Mobility", and, more recently, "DLA mobility: sorting the facts from the fiction". A number of them are in an expert position because they also operate care homes. I would be interested to hear from the Minister how many of them have come forward with examples from their own experience of the uniformity of provision across their network of homes. Has she received such representations or evidence from them about whether they experience differences in the various local authority areas in which they operate? That would be a useful body of evidence, and it behoves the charities to provide such information to the Minister, so that we can have a clearer picture.

In their reports, the charities provide some information about the rationales for the changes. I admit that several have been presented over the months, but I should like to pick up on two that are particularly pertinent and germane. I thought that the first one they listed was very interesting:

> "The responsibility for mobility/transport costs should be met by the care home provider".

What struck me in the evidence that the charities provided was that they saw a lack of clarity in what has been provided. They stated:

> "Related legislation and guidance make no specific reference to mobility... While guidance places a responsibility...it contains nothing about how this is paid for... This guidance is not contract terms... the guidance does not provide a legal requirement."

That points to the comments that were made earlier by my hon. Friend the Member for Banbury and others about the need for clarity and a road map.

Mr Steve Brine (Winchester) (Con): I would echo my hon. Friend's comments about the Minister. She has gone far out of her way to reach out to colleagues across the House, and I pay credit to her for that.

My hon. Friend the Member for Banbury spoke about contracts and specifics being written down. The Winchester and District Mencap Society has made the point to me many times that the mobility component is not necessarily used just for appointments at doctors or care homes, or for visits to friends or the hairdresser. Sometimes, for their own physical and mental health, people use it to get away from those with whom they live. Is not the key point that if we reform the system and move to personal independence payments, we will put power in the hands of disabled people who are individuals in their own right? They do not want the Government or the House to prescribe how they do everything, or how and where they spend their money.

Richard Fuller: My hon. Friend makes a good point. However, there are also requirements on the part of the Government to provide some guidance and clarity. If we can get clear evidence of the original intent—the changes are required because of differences in provision—people could move forward more confidently, empowered to exercise their rights. We are going through a process that we have not yet completed.

The second rationale that I wish to discuss—I will not take too much of hon. Members' time—is No. 7 on the charities' list:

> "Local authorities' contracts with care homes should cover personal mobility needs".

The charities' response focuses very much on ability to pay. Local authorities do not have the money; care home providers are not in a position to pay. That comes again to my earlier point: this issue should not be driven by the need to make cost reductions, but by the need to ensure that there is clarity about what we expect to provide on both a local authority and care home basis. If insufficient money is being provided, that should be the answer. If too much money is being provided and there is a better way of getting value for money, that should be the answer. That is what we are driving for in achieving an answer.

My final point is that this is not just about mobility. The issue is independence. A personal expenditure allowance of £22 a week is not sufficient for the broad range of an individual's requirements. That measure was not set by this Government—they inherited it. It is a little insulting to tell someone, particularly someone who is vulnerable or people who have spent much of their own lives looking after a child or a mother who is in need and thereby saving the Government so much money, that we will leave them with just £22 a week to cover the wide range of their personal expenditure.

I ask the Minister, as she looks at the mobility component, to bear in mind the broader picture of providing decency overall for people in care. She has done an excellent job in reaching out and listening to people, and I hope that she will listen to the contributions to the debate.

10.17 am

Mark Durkan (Foyle) (SDLP): Like the hon. Member for Bedford (Richard Fuller), I was present for the previous debate, which was specifically about the mobility component for those in residential care homes. There is a danger in this wider debate today that we will focus too much on that issue. My concerns about that issue are no less than they were before, but I do not want to concentrate on it today, as other hon. Members have adequately done so.

The Government paper that heralded these changes, "Welfare reform: Disability Living Allowance for the 21st century", discusses focusing on those with the greatest need. We also know that the target is to achieve a 20% cut. I was struck by the comments of the hon. Member for Banbury (Tony Baldry) about the different people he knows at Agnes Court and the range of conditions that they have. Would any MP be able to say who of such a group of constituents is in greatest need, or where we could make a 20% cut? If we are not prepared to do that or to envisage others doing that, we should not support the Government in this measure and proposal.

Several issues arise. The first is assessment and, of course, reassessment in the future, which will come with it. The fact that particular conditions will not be screened out from assessment and reassessment—everyone will have to go through the process—raises fundamental concerns for those who are currently on benefits and their carers. We need to remember carers as well. They all think that they are facing a grand national, where everyone needs to try to get over and on to the benefit. As we have heard, that will cause great problems for citizens advice bureaux and the many others to whom people are turning for advice on what is likely to happen and the implications for them.

If the Government will not allow any specific conditions to be screened automatically from having to go through the assessment test now, or in the future, we need more clarity about what forms of evidence will be considered particularly telling in the context of the assessment test. What evidence from experts in neuromuscular conditions and so on will tell in that setting, or will the interview setting count more? On the cost of administering the assessment and reassessment process, many of us know that some people will pass every time, because of their circumstances. Should they have to go through the ordeal of assessment and reassessment every time, and should the Government carry the cost of that?

On moving to a six-month qualifying period, the hon. Member for Arfon (Hywel Williams) referred to cancer patients. We must question whether it is enough to tell people that if their illness is terminal, they will automatically qualify. Many cancer patients do not want to think of themselves or present themselves as terminal cases, and we might send out a dangerous message. If the Government are determined to remove the mobility component as was and to introduce a six-month qualifying period for the personal independence payment, perhaps there should be a distinct allowance for those who have been diagnosed with cancer and have been referred for chemotherapy or radiotherapy. Perhaps there should be a cancer care and support allowance that takes care of such circumstances, instead of cancer patients finding themselves caught up in the pursuit of personal independence payments, particularly as the system will become congested when the changes are introduced.

How will people with variable conditions be measured in the context of assessment and reassessment? Will they be unlucky if they are interviewed on a good day, or lucky to be seen and reported on on a bad day? The Government must tell us more about that.

There will be an impact on other entitlements. For example, currently the mobility allowance is a passport to the blue badge, road tax exemption and disability premium. What thought has been given to the implications of the move to personal independence payments? Will people who lose out in the change also lose out on those other benefits and entitlements? Will the conditionality link between the new benefit and the old benefit remain? If so, have the Government factored into their impact assessment the effect on other entitlements?

As the hon. Member for Arfon has said, there will be an impact on carers. We need to know, for example, whether eligibility for carers allowance will come from both levels of the personal independence payment daily living component, or only from one level. Those who are entitled to carers allowance will see the circumstances not only of the person they care for being jeopardised by the change, but their own. Entitlement to carers allowance may be affected, and we must consider that.

We have not heard enough from the Government about some age-related issues. For example, pensioners who received the mobility component of the disabled living allowance before pension age continue to receive it when they reach pension age. Will that continue to be the case with the personal independence payment?

Fiona O'Donnell (East Lothian) (Lab): Does the hon. Gentleman agree that we also need clarity on how the changes will impact on children, especially those with sudden impact conditions such as acute myeloid leukaemia? Will they have to wait six months, by which time their treatment will be well and truly finished?

Mark Durkan: I thank the hon. Lady for making that point. I introduced my comments about pensioners by referring to age-related considerations, and I was coming to children, including children in residential care, residential schools, and on holidays. What periods will qualify? Again, there is not enough in the Government's papers and subsequent answers about those issues. The hon. Lady has rightly pointed to circumstances in which children may suddenly be affected by a condition. Will they have to wait for six months? Will families who receive a disability premium receive the universal credit when their child is in residential care? We do not know what is happening.

We must remember that families must cope with the concerns, needs and often the emotional upset not only of the child who is affected by a condition, but of the other children. Families must not be mired in new difficulties and complexities by the change. We must ensure that people of all ages are supported, not least children and families. The Government must provide more clarification, and I hope that the debate will present the opportunity for the Minister to do so.

Philip Davies (in the Chair): Two more colleagues are seeking to catch my eye, and I intend to call the Front-Bench speakers at 10.40 am at the latest, so co-operation would be much appreciated.

10.25 am

Duncan Hames (Chippenham) (LD): I congratulate the hon. Member for Arfon (Hywel Williams) on securing this important and timely debate, and I thank the Minister for her attendance. The Government's proposals on welfare reform are undeniably substantial, but reform is undeniably due. The best elements of the wider proposals have the potential to create a simpler, fairer and more efficient system than the current array of credits, benefits and allowances that developed under the previous Government. However, the proposals that caused the greatest consternation among my constituents—that consternation is clear from today's attendance by colleagues from both sides of the House—are the proposed changes to the mobility component of disability living allowance. The issue presents a particularly difficult balancing act to reform a complex welfare system, but never to jeopardise the ability of disabled people to live full, independent and active lives. We have been right today to determine what is a modern, efficient and, most importantly, fair system to meet disabled people's mobility needs.

I have actively expressed my opposition to the proposed withdrawal of the mobility component of disability living allowance for those living in residential care homes, and I am grateful for the time that the Minister has spent listening and talking to me about that on the

[Duncan Hames]

Floor of the House and separately. Without the mobility component, many of the most vulnerable people in our society would be unable to meet the cost of living independent and fulfilling lives, and to engage in the social activities that most of us take for granted. As I politely suggested to the Prime Minister, parallels drawn between those in hospitals and residential care homes are crude and unfair. It is clear that the Minister in her investigation of the matter has reached much wider, and those of us who have had most reservations should recognise her efforts to obtain a clearer handle on the matter than those who considered it previously.

I associate myself with the comments of the hon. Member for Banbury (Tony Baldry), who demonstrated a clear understanding of some of the issues concerning care home funding. In the light of the responses to the proposals that the Government first tabled, and the representations from me and many others in the House, I warmly welcome the Minister's decision to postpone the change until the nature of mobility funding for those in care homes is fully understood. It is absolutely essential that we do not rush into any of the changes, and it is good news that the Minister is listening and accepts that we must take a longer, clearer look at the issue.

Given the Minister's intention to give due consideration to the mobility needs of those in residential care homes before moving forward with any changes, I ask her to consider two issues in particular as part of the development of wider changes to DLA: first, the process of medical assessment for personal independence payments; and secondly, how the support given to those in residential care homes can be most effectively personalised.

The Government have stated their intention medically to assess all those currently in receipt of DLA. Assessment can bring advantages and ensure that help goes to those who need it most. Potentially, it can make it easier for some disabled people to claim and allow the provision of more individualised support. However, there are also pitfalls and possible side effects to assessment such as the cost, both of contracting out the assessments and of financing the appeals that are bound to follow in the wake of any large-scale assessment programme. There is also the pain that face-to-face assessment may inflict on those suffering from autism and similar disabilities, and the danger that an assessment of the mobility needs of those with spectrum disorders, mental health issues and fluctuating conditions such as Parkinson's, may be prone to error unless conducted by specialists. We have seen that problem in the conduct of work capability assessments for employment and support allowance.

Nicky Morgan: Does the hon. Gentleman agree—he may be about to cover this point—that there is a question mark over the need for repeated assessments of certain conditions? I speak as the vice-chair of the all-party group on eye health and visual impairment, and I think particularly of those who are blind. Some conditions, such as the loss of a limb, will never change and more costs may be incurred in reassessment than are necessary.

Duncan Hames: The hon. Lady makes an exceptionally good point. Certainly, it is written in my notes that there is the potential for certain conditions, such as blindness, to benefit from an automatic entitlement.

I suggest it is worth examining a tiered approach in which a paper-based assessment would be sufficient for those with the most obvious need, thus eliminating the requirement for a detailed and stressful face-to-face assessment. I support the emphasis on personalisation in many of the Government's statements about the reforms. That could prove helpful in addressing the alleged duplication that has been mentioned with regard to funding for care home residents.

I have suggested to the Minister previously, and continue to believe, that if those funds currently allocated by local authorities to care homes for meeting the assessed needs of residents were transferred directly to residents as part of their personal independence payment, that would ensure that the freedom, choice and independence currently offered by the mobility component of DLA is maintained. It would also ensure that money given to care homes for use by their residents is used by those residents, and not lost in administration or meeting other costs. That is not what has been proposed to date, but it is in tune with the thrust of many Government changes, and I hope that it will be considered. The current confusion over where responsibility lies for the funding of mobility needs for those in residential care homes points to the need for reform. However, the fundamental reference point for that reform must be a guarantee that people who live with disabilities should be supported to live active and fulfilling lives.

I conclude by reiterating my welcome to the Minister's decision to look again at the support given to those in local authority funded care homes, and by repeating my hope that she will investigate the suggestions I have made today, which are among several constructive suggestions raised during the debate.

10.33 am

Guto Bebb (Aberconwy) (Con): I, too, congratulate the hon. Member for Arfon (Hywel Williams) on securing this debate. I feel nervous about contributing to the discussion that he has led, as he understands the issue and the field extremely well. I associate myself with the comments of my hon. Friend the Member for Banbury (Tony Baldry): although I feel unqualified to comment on the issue, as an MP, I respect the fact that people come to my surgeries with concerns, and it is important to raise those concerns with the Minister.

I also associate myself with the comments made about the active way in which the Minister has responded to correspondence, especially in relation to constituency matters that I have raised. An effort has been made to communicate, and that communication has been detailed and worth while, and it has been appreciated by constituents. The fact that we are looking at delaying changes to the mobility component until 2013 is welcome. It is a difficult and complex area, and that complexity must be looked at carefully before we implement any changes.

Before I look at the mobility component of DLA, I would like to make a point about the work capability assessment process. I am MP for a constituency where about 42% of the population are first-language Welsh speakers. Time and again, people who come to my surgeries are expected to attend a work capability assessment in which they must explain their position and say whether they are capable of working. Often, they have to do that in English, even though the Welsh Language Act 1993 requires them to be able to do it in Welsh. When someone is in a stressful situation such as that, it is unacceptable that the Department is unable to provide a bilingual service. I have received assurances that the Department is working within the demands of the Welsh Language Act, but time and again the situation on the ground in north Wales does not correspond with those assurances. I would like the Minister to respond to that point.

When I received a letter from the Minister, I almost felt as if she had been in my constituency surgery. The arguments about the complexity of the mobility care component in care homes show that the current situation is not coherent. From talking to people in care homes, it becomes clear that each care home deals with the mobility component in a different way. I have been quite proactive on this issue because I represent a constituency with a high average age—I think I am right to say that the constituency of Aberconwy has the highest average age of any constituency in Wales—and as a result, there are a lot of care homes. My office has spoken to 17 care homes to discuss how they deal with the mobility component and whether it is funded by the local authority. From those 17 care homes, we have had 17 different answers, so the chaos surrounding the issue is clear. It is difficult to move forward with a policy unless we acknowledge that the duplication mentioned by the Department is not constant or ongoing, and that the situation is very different from one case to another. The Government, and the Minister in particular, are trying extremely hard to address the issue in a fair and coherent manner, but to do that we need a long consultation process, which I will certainly feed into.

On a more personal level, it is crucial that consultations take place in a responsible manner. It was distressing to see the parents of a 57-year-old individual who has been in a care home all her adult life come into my surgery. Both those parents are over 80 years old, and are distressed because they believe that the mobility component will be lost. They feel distressed by that, and it is important to point out to constituents that we are genuinely undergoing a consultation process. It is important to ensure that that process is understood and communicated.

Mr Nigel Dodds (Belfast North) (DUP): The hon. Gentleman makes an excellent point as part of an excellent speech. These are real anxieties and concerns because people see that the mobility component is scheduled to be removed. I welcome the fact that the consultation period has been extended, but that compounds the period of great uncertainty for people. There is a bit of a dilemma.

Guto Bebb: There is, but I am sure the right hon. Gentleman would agree that a Government who consult and listen are a Government who will succeed. The Department is genuine about the consultation and about listening, and that must be communicated to individuals. We do not want to create undue distress, but I do not think that the Government have communicated well on this issue, and we must take responsibility for that.

I understand that I must conclude my comments before 10.40 am, so I will raise a couple of important points. As I have said, the Minister has been good in responding to almost all my questions, but one question about the discussions the Department has held with the Welsh Assembly Government on this issue has not yet received a response. An excellent point was made about the fact that we are dealing with a complex situation in which the Welsh Assembly Government are responsible for care and social care, but the benefit system is with Westminster. I am slightly concerned that, as yet, the question about what discussions have been held between the Welsh Assembly Government and the coalition Government has not received a response. I am sure that the Minister will write to me or confirm that there have been discussions. We are trying to ensure that the system works, and it is imperative that the social care element and the benefit system interact positively. Part of that interaction in a Welsh context involves good, positive discussion between the Government in Westminster and the Government in Cardiff Bay.

10.39 am

Margaret Curran (Glasgow East) (Lab): I am pleased to be back in this Chamber debating this issue; I was at the earlier debate. I congratulate the hon. Member for Arfon (Hywel Williams) on initiating this debate. He gave a passionate and eloquent description of the challenges in this field, and his knowledge will be of great assistance to this Parliament as we proceed. Of course, his timing is perfect, as the Second Reading of the Welfare Reform Bill takes place today. This subject includes many challenges and issues, and I am grateful to him for giving us the opportunity to focus on particular issues in this debate.

I shall say a few introductory words about welfare reform generally, but I want to focus on the mobility component of disability living allowance, particularly in relation to residential care, because the issue is of imminent importance. It presents a great challenge and is of great concern to many people. I still require much more clarity from the Government about the position, but I shall return to that, because a few hares have been set running this morning that we may need to catch.

The hon. Member for Arfon made very significant and reflective comments in relation to welfare reform. I am on record as having said during the last debate and in many of my exchanges with the Minister that I believe passionately in welfare reform. I have a background in this field and have been dealing with it for many years. Welfare reform will always be required, and we should never be frightened of it. Sometimes it is difficult. I absolutely accept that it presents challenges, because it affects so many people of great vulnerability. None the less, I have substantial criticisms of the way in which the reform has been conducted.

As the hon. Member for Foyle (Mark Durkan) said, many questions are still outstanding about the reform and the impact that it will have. In particular, many disabled organisations will tell you that they are very worried about the premise of the reform. Rather than being cuts-based reform, it should be evidence-based reform. We should work with disability organisations and try to take them through this. Fundamentally, it should be based on the social model of disability, but the Chancellor of the Exchequer and other people are espousing a medical model of disability, so there are tensions in what the Government are telling us.

We are told that the driving factor behind welfare reform is simplicity. That has been mentioned today. However, if you go along with the Welfare Reform Bill

[Margaret Curran]

as it stands, you could end up with greater complexity. I have heard this directly from disability organisations, and the hon. Member for Foyle also pointed it out. You could have children under 16 on DLA. You will have adults between 16 and 64 on PIP—the personal independence payment. Then you will have attendance allowance. Elderly people are now saying that they have to get attendance allowance even when they reach that threshold age. There is some confusion from the Government about that, but perhaps the Minister will clarify it.

There are big issues about how we are doing reform, and the Government must think carefully before they charge around telling everyone else that they must just follow suit on the reform. They cannot criticise those of us who are in favour of reform if we say, "This is not how it's done." Many people are saying that the reform has been rushed and not thought through and that some of the implications, if the Government go ahead, will be very far-reaching for the most vulnerable members of our society. The Government must take stock and demonstrate that they are listening to people, but a demonstration that they are listening to people has not been evidenced yet.

Chris Skidmore (Kingswood) (Con): Would the hon. Lady maintain the current spending of £12.3 billion on DLA under her own model of reform? She says that she is keen to see reform, but would she keep the spending at £12.3 billion? Obviously, it will increase, but can she tell us about any proposals for what she would do?

Margaret Curran: I can tell the hon. Gentleman what I would not do—I would not start from the premise of a 20% cut. I would work with disability organisations under a partnership approach. We do need to manage costs. Disabled people and their organisations agree with you that we need to manage costs. We do need to look at how the budget is increasing. I would be the first to acknowledge that, but we need to do it in a completely different way from how it is being done at the moment. You should not rush at it and you should not say that your only motive is cuts. I take the point made earlier. I intended to say that I would be polite in this debate. I may not have managed that so far and I may not manage it later, either.

Jim Shannon: The hon. Lady is always polite.

Margaret Curran: Thank you very much. Of course we shall be polite to one another in the House, but we must remind ourselves of the scale of the anger in the country about what is happening, particularly on the mobility component of DLA in relation to residential homes. People's concerns are deeply felt. People are deeply worried, but there is also anger about how it is being done. We have all received representations from the voluntary sector, the charitable sector and local authorities that are confused about what is happening. The debate has also involved Members of Parliament. I had thought that it was cross-party—that it went across many parties, including the Government parties. Perhaps not, but we shall come back to that.

I have not yet heard the case for the reform. This morning, some hon. Members have said that we need to introduce the cut in relation to residential care homes because all of a sudden care homes are very confused by the funding and all of a sudden local authorities are very confused by the funding. I have not had any representations in all my time as a Member of the Scottish Parliament or in my time in this Parliament about that confusion. It seems to me that yet another argument is being put forward for why we are doing this.

I have asked the Minister a parliamentary question about how many people have advocated the change to the Government. How many people have gone to the Government and said, "This is a real problem and it needs to be sorted out"? I have not had an answer yet. Perhaps the Minister could give me an answer later today.

Many interesting points have been made in the debate. We have been given individual examples by the hon. Member for Caerphilly (Mr David). We heard from the hon. Member for the secret garden—I do not know whether I can call him that. I am referring to the hon. Member for Banbury (Tony Baldry), who also talked about the secret garden of policy in the previous debate. He has raised many significant questions that have still to be answered.

Perhaps the most substantial point came from the hon. Member for Arfon, who said that the mobility component of DLA for people in residential care is about normalisation. I have not heard any Government Member be able to challenge that. You do not give that payment to an institution; you give it to the person so that the person can make their own personal choices. With the greatest respect, ironing out the so-called overlap or trying to ensure that you give it to a care home does not address that fundamental point. That is the issue—the payment goes to the person.

Let me establish a few of the facts. Some 80,000 people are affected by the cut, and it is a cut. It represents a saving of £160 million. I fundamentally believe that it is driven by the need for that saving. It will affect not only people living in residential care homes, but young people in residential schools. I accept the comments made about the Minister. They were very flattering and positive, and I am sure that they are all true. I also welcome the review. However, I am not as optimistic as some people are that somehow we are going to see a change. Therefore, I would like to ask the Minister a few questions about the review. Who is involved in the review? What is being considered? Do you have on the agenda the option of completely cancelling the cut?

Philip Davies (in the Chair): Order. May I gently remind the hon. Lady to refer to people in the third person, rather than dragging me into the debate?

Margaret Curran: I apologise, Mr Davies. I will not drag you into the debate. I am referring to the Minister. I would be grateful if she could outline the parameters of the review. Is there any possibility that the cut could be cancelled as a result of the review? Will she clarify that?

As other hon. Members have said, a document has today been published by 40 organisations in the sector, which represent a vast swathe of opinion in this field.

Those very credible organisations have told us that the Government's arguments have shifted eight times. I think that they will need to issue another document, because I think that there has been another shift in the argument. I say that because the "road map" has been presented to us today. Somehow that is the solution to the cut; everything will be solved by a road map. As long as people know exactly where the funding is coming from, all will be solved. I think that that is fundamentally wrong and I hope that we are not seeing yet another attempt to explain an unjustifiable cut. The cut is wrong. It should be off the agenda now. We have the opportunity in the Welfare Reform Bill to ensure that that is the case. Labour will be arguing very strongly that we reject the cut. We need to ensure that we continue to give people in residential homes the personal independence that they have now. That should be maintained. That is what the Government should be doing.

10.49 am

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): It is a great pleasure to serve under your chairmanship for the first time, Mr Davies. I am grateful to the hon. Member for Arfon (Hywel Williams) for calling the debate, which has given Members from across the House the opportunity to talk about their personal experiences on this issue.

I am sure that everyone here shares a deep concern to ensure that we get provisions right for disabled people in all our communities, and the coalition Government are certainly absolutely committed to doing so. That is why we have taken the Equality Act 2010 through to Royal Assent, put in place the right to control for thousands of people, driven a personalisation agenda and promoted a new project on access to elected office to help more disabled people to be involved in debates such as this, because, all too often, they are not.

I welcome the support across the House for the need for welfare reform. I think the hon. Member for Glasgow East (Margaret Curran) supports it—at least, the leader of her party does—and we obviously need to debate some of the details today. I certainly welcome the support of the hon. Members for Arfon and for Caerphilly (Mr David).

When it comes to the Welfare Reform Bill, what is certain is that the Government have inherited a mess after 13 years of Labour, and nowhere is that more evident than with DLA, which is almost a case study in how not to run a benefit. DLA lacks any objective test; it has no in-built system to check people's continued needs for support; and there is a real chance that some people will continue to claim it when they are no longer entitled to. That is no way to manage a really important means of supporting disabled people, and it is certainly no way to manage the spending of £12 billion of taxpayers' money—an amount that was never envisaged when DLA was first outlined.

It is good to hear the hon. Lady accept that we need to manage costs, and I welcome that acceptance. The previous Government allowed spending on DLA to spiral unchecked. This Government firmly support the principle behind DLA of providing a non-means-tested benefit to support independent living, but the simple truth is that we cannot let DLA go on as it has, especially at a time when we are committed to making the welfare system fit for the 21st century. DLA reform is long overdue, which is why we are proposing in the Welfare Reform Bill today that the personal independence payment should replace DLA, creating a more transparent benefit that is better targeted and more affordable in the long term.

Fiona O'Donnell: On transparency, the BBC carried a statement from the Government this morning saying that they had no intention of extending the entitlement onset from three months to six months. Can the Minister confirm that that is the case?

Maria Miller: In terms of the entitlement.

Fiona O'Donnell: Extending entitlement onset from three months to six months.

Maria Miller: The hon. Lady will know that it is absolutely our intention to make changes so that the new PIP assessment supports people with long-term conditions. That is the—*[Interruption.]* I cannot possibly comment on something reported in the media that I do not have sight of. It is probably easier for me to get back to the hon. Lady to clarify the point than to debate it today.

As part of the wider DLA reform, we have looked at how the mobility component affects people in care homes. As many hon. Members have indicated, we discovered that, much like DLA, the mobility element is characterised by a lot of uncertainty and red tape, and my hon. Friend the Member for Aberconwy (Guto Bebb) picked up on that extremely well. Like him, I have talked to care homes, and every one I have been to has had a different experience of trying to tackle what is one of the most fundamental issues for disabled people—how to get about. That is driving me to make sure that we not only reform DLA correctly, but ensure that people living in our care homes get the support that they need.

When it comes to determining care homes' duties and contractual obligations, the interpretation is very wide. It is not that people thought it was all rosy in the garden in the past, as the hon. Member for Glasgow East perhaps implied, because there is long-term concern about the lack of clarity over these obligations. There has been almost a sticking-plaster, pragmatic approach to trying to ensure that disabled people, who are some of the most vulnerable people in our community, get the support that they need. The situation has not been helped by an array of very different legal duties and contractual responsibilities, which mean that service providers and residents are unclear in practice about where responsibility lies. Indeed, the hon. Lady might pick that up if she talks to even more of her constituents.

My hon. Friend the Member for Banbury (Tony Baldry) picked up on this issue in his contribution. I do not pretend to be able to give him answers to all his questions, but part of the problem is that responsibility for provision of mobility is spread across at least three separate pieces of legislation in a not entirely consistent manner. That is one of the issues that I will be looking at. We have the Health and Social Care Act 2008 (Regulated Activities) Regulations 2010. We also have the 2008 Act itself, which deals with the registration of care homes. It includes a clear obligation on care homes

[Maria Miller]

to promote independence, and mobility is part of that. There is also an important role for the Social Security Contributions and Benefits Act 1992, which makes it clear that local authorities should not take account of DLA when assessing people's needs. All those things mean that care homes and local authorities have a complex set of measures to deal with. The previous Government could have taken time to provide more joined-up thinking on the issue, and we have put our efforts and energies into dealing with the issue.

Margaret Curran: Will the Minister give way?

Maria Miller: If the hon. Lady will forgive me, I am trying to reply to as many points as I can. Perhaps she can raise any points that she has separately with me.

I have been told of cases where DLA payments have not been passed on to the person who should have been in receipt of them. As hon. Members will know, that is a serious offence. Some people have told me that they are having to pay charges for basic services in care homes, which should, by rights, be freely available. I am sorry if all that is anecdotal, but it paints a worryingly consistent picture of arrangements that are no way to ensure the best support for the most vulnerable people in our society, no way to ensure accountability and no way to ensure the best value for disabled people or taxpayers. In short, the situation is really unsatisfactory.

As much as the hon. Lady may not agree, it is my job as Minister with responsibility for disabled people to stand up and speak about these things and to ensure that we get some action. I want a far clearer approach in the future, so that disabled people everywhere in the country can know what they can reasonably expect. That was one of the issues that was usefully raised in the "Don't limit mobility" report. Only with a clearer approach will we achieve the outcome that all hon. Members present want.

In the remaining couple of minutes, let me move on to some of the detailed points that I hope to cover. The hon. Member for Arfon raised a number of issues, but he focused particularly on budgets. It might be useful for hon. Members to know that when we talk about the DLA budget, we are talking about ensuring that we keep control of the growth in it. The expenditure that we are talking about for the future will be the same as we had last year for DLA, after a 30% increase in the number of people claiming DLA over the past eight years. I hope that that reassures hon. Members that we are not talking about the sort of swingeing cuts that have been painted by some less responsible Members, but just trying to ensure that the rapid growth that we have seen is brought under some control.

The hon. Gentleman also raised important issues about the application process. Let me reassure him that this will not involve a medical test, but an objective test built on the social model of understanding the barriers that people face when they have disabilities that they need to cope with. He raised a number of other issues, including, in particular, eligibility after 65, and I assure him that the personal independence payment will continue past retirement, as long as an individual continues to be entitled to it. If I have not picked up any of the issues that the hon. Gentleman has raised, I am sure that my officials will ensure that I write to him.

The hon. Member for Foyle (Mark Durkan) raised a number of extremely important issues, some of which I have already covered. He also mentioned children, and I draw his attention to the report that my Department is doing with the Department for Education. It looks at how my Department will assess children in future in conjunction with the DFE, rather than putting children through multiple assessments, as at present.

My hon. Friend the Member for Aberconwy made an important contribution. I agree with his characterisation of the situation as chaotic. I will make sure that I get back to him about our communications with the Welsh Assembly and about the importance of making the work capability assessment available in a way that is consistent with legislation on the Welsh language.

My hon. Friend the Member for Chippenham (Duncan Hames) made a number of important and constructive suggestions, and I thank him for that. I will perhaps talk to him separately.

In an important intervention, my hon. Friend the Member for Winchester (Mr Brine) reiterated the importance of treating people as individuals. I am sure that he, too, will welcome the commitment to personalisation given by the Minister with responsibility for these issues in the Department of Health—

Philip Davies (in the Chair): Order. We must move on to the next debate.

East London Tech City

11 am

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): I am very grateful for the opportunity to address the House on the question of the east end tech city. As some hon. Members may be aware, in November, nearly six months ago, the Prime Minister made a speech that attracted the attention of all the east end. We are anxious to know what progress has been made with the plans that he outlined.

In his November speech, the Prime Minister said:

> "We're not just going to back the big businesses of today, we're going to back the big businesses of tomorrow."

Who could argue with that? He went on to say, thrillingly for us in the east end:

> "Our ambition is to bring together the creativity and energy of Shoreditch and the incredible possibilities of the Olympic Park to help make East London one of the world's great technology centres."

That idea of the east end as Silicon valley was very engaging. The Prime Minister said:

> "Something is stirring in East London"

and pointed out that

> "three years ago, there were just fifteen technology start-ups around Old Street and Shoreditch"

but that as he spoke there were more than 100. Certainly anyone who knows and lives in Hackney can see how the Shoreditch and Old street areas—despite the challenging economic circumstances—continue to blossom and to show any amount of creative energy. As the Prime Minister pointed out, one reason for those two areas becoming a hub is to do with cultural and artistic life, quite outside Government planning. That is what happened in San Francisco, and it is happening in parts of the east end.

The Prime Minister made some specific points, however, and it is on those points that I want to press further. He said that the Olympic Park Legacy Company had agreed to create an accelerator space in the Olympic park,

> "providing office space for companies that grow out of East London and beyond."

I should like to know what progress has been made in creating the accelerator space. He also said that Imperial Innovations, the venture capital arm of Imperial college London, was to advise on making the accelerator space

> "attractive to spinout companies from academia and beyond."

What sort of advice has Imperial Innovations given? How many meetings have happened, and what progress has been made? The Prime Minister spoke also about University college London and Loughborough university agreeing

> "to work with the Olympic Legacy Company to build a bridge between academia and enterprise in the Olympic Park."

I assume that that will happen after the games, but I should still be interested in any information that the Minister may have.

One of the companies that the Prime Minister mentioned was Cisco. Last month, he and John Chambers, the Cisco chairman and chief executive officer, announced the details of the British innovation gateway, a five-year effort by Cisco to drive economic growth through high-tech innovation. The British innovation gateway aims to increase the number of pioneering high-tech companies. The programme will include the creation of two network innovation centres, the first of which will be in Shoreditch.

The Prime Minister went on, in his speech, to discuss other companies and businesses that would contribute. We understood that McKinsey and Company will share expertise, and that British Telecom has agreed to bring forward the roll-out of superfast broadband. I particularly want to know what is happening about that, because it is the key to the sort of businesses that we are considering. I understand also that Qualcomm, one of the world's leading wireless technology companies, will provide expert advice.

The other issue that the Prime Minister touched on was finance. He said that Vodafone had committed to bringing its Vodafone Ventures investment fund to the capital. It would be interesting to know whether it has invested any money since then. He said that

> "Silicon Valley Bank, a West Coast institution…will become a fully fledged bank in the UK".

Has it become a fully fledged bank yet? He also said that

> "Barclays will create a new facility in East London to provide specialist banking services to high growth technology".

Again, we should like to know more.

The Prime Minister went on to talk about some of the US companies that are to set up research and development space. He mentioned Intel setting up a new research lab. I am not sure whether it has been set up yet. Google was to create an innovation hub. I am not sure whether that has happened. The speech also mentioned that

> "Facebook has agreed to create a permanent home in East London for their successful Developer Garage programme".

On all those issues, I would be interested to hear what those American businesses are doing, and what has been done about business and finance.

I want to talk a little also about the possible involvement of the local authorities in the exciting new developments that I have outlined. I could say, on behalf of Hackney council, that it very much welcomes the Prime Minister's initiative—and not only Hackney council, but boroughs across London. However, I think that local government leaders—what we might call the big society—want to know when the Government will align their investment and support with Hackney's local regeneration activities. It is one thing to bring in American and British businesses, make more money available and roll out the broadband; but it would make sense to align that with what the local authority is doing.

A number of small and medium-sized businesses have flourished in the creative digital centre in Shoreditch, Dalston and Hackney Wick, on the back of investment initiatives proposed by the previous Mayor, Ken Livingstone. We believe that the western half of the Olympic park in Hackney Wick holds significant opportunity. Will the Government work with Hackney borough council and the Olympic Park Legacy Company to ensure that our global ambitions for growth are integrated with our innovative local economy and the people of Hackney?

We are also concerned about investment in skills and training. It is fine to have coffee bars and cultural activity, and even to roll out broadband. However, we do not want a Silicon valley-type development in the east end that will be like a cuckoo in the nest, to which

[Ms Diane Abbott]

local people have no access, and where they cannot find opportunities. If local people are to be involved, skills and training are important. How do the Government see their further and higher education policies supporting what the Prime Minister announced in November and Hackney's successful network for delivering training to local people of all abilities?

The Government are meeting and encouraging big global companies such as Google and Cisco, but we are concerned that they are not connecting them to the local economy and the local authority, which would mean that their investment could make a real difference. We are anxious that the Government's activities, which we welcome in principle, should be aligned with what the local authority does. I have lived in Hackney for 23 years and I have seen every sort of Government regeneration programme going, all the way back to Michael Heseltine. Sometimes I have said about regeneration programmes, under Labour and other Governments, that if we stood on a street corner giving people bags of money, ordinary people might have benefited more. I have seen all that is good and all that is bad about Government-led regeneration.

I think that the Prime Minister is probably right that sometimes regeneration is a bottom-up activity. That is what happened in Silicon valley—and in parts of Hackney. It is extraordinary: Hoxton, which was a very run-down area when I first became an MP, is now the Soho of the east. If I go through it at night there are clubs and entertainment, culture and art galleries. Some of that was helped by local government and Government regeneration, but much was bottom-up. One of the things that helped the east end to regenerate was the amount of cheap warehouse space, which meant that artists such as the new British artists—Tracey Emin, and so on—found it cheap and practical at the beginning of their careers to go and work there.

I am very open. Having seen how the east end has developed over 20 years and how Government and local government intervention work, and sometimes do not, I appreciate and understand the bottom-up approach that the Government are taking. However, we must have a clear outline and infrastructure. I would like to know what is happening about broadband. I would also like to know what is happening in relation to the businesses and financial-sector people that the Prime Minister mentioned in his speech last November.

I am anxious to find out whether the Government are willing to align what they are doing with the successes that we have had, both at the London level under the Mayor and also at the borough level. I wait with interest to hear what the Minister has to say.

11.10 am

The Minister for Universities and Science (Mr David Willetts): I congratulate the hon. Member for Hackney North and Stoke Newington (Ms Abbott) on securing this debate, on what is indeed an important subject. It is about our high-tech strategy for the nation as a whole, and for one of the crucial places where we are delivering it—the hon. Lady's constituency, especially in and around Shoreditch.

I particularly appreciate the way in which the hon. Lady quoted so liberally from the Prime Minister's speech on 4 November. I was at that event, as was the Mayor and many investors and entrepreneurs. She summarised an excellent speech, in which the Prime Minister made clear how committed the Government are to the area. At the heart of the area—it is part of the east London tech city initiative—is Shoreditch, which is increasingly becoming the location of choice for budding entrepreneurs.

The hon. Lady has given us these figures, but I remind the House that in July 2008, the area was home to some 15 high-tech companies; our latest estimate is that there are now 200, and there have been some conspicuous examples of successful companies being developed and sold on. Last.fm was sold to CBS for $280 million; others successes are TweetDeck and Songkick; and Dopplr was sold to Nokia for $22 million. Some valuable companies are being created there, and the coalition Government are committed to helping the area to continue with its impressive growth rate. We believe in it as a cluster.

The Government cannot create clusters out of nothing, but once clusters have emerged organically, it is absolutely the responsibility of Government to push them forward whenever they can and to remove barriers. That is what the Prime Minister's speech of 4 November was about; it followed an announcement about the area. I assure the hon. Lady that progress is continuing. I shall give some examples.

John Chambers, Cisco chairman and chief executive officer, was in London recently, and I met him with the Prime Minister. He unveiled details of the British innovation gateway scheme on 31 January. That new $500 million scheme will see Cisco pledging a long-term investment of money, technology and manpower to help boost entrepreneurship in the United Kingdom, particularly in east London tech city. Having been present at the discussions between John Chambers and the Prime Minister that took place at No. 10, I can tell the hon. Lady that we got into the practicalities of encouraging John Chambers to consider investment in the east end of London. Indeed, that is where a significant part of his investment will go.

Ms Abbott: I was not at the Cisco meeting, but when I read the press reports of what was said it seemed quite unspecific. When will the programme of investment start? The Minister says that he urged the Cisco chairman to invest in the east end, but did he commit himself to doing that? If so, what proportion of that money will be invested in the east end?

Mr Willetts: We do not know exactly what the time scale will be or exactly what the allocation will be, but the decision has been made by Cisco's CEO to commit $500 million. That key decision was taken by the CEO and discussed with the Prime Minister, and work is now under way in Cisco to allocate the funding.

Cisco is not the only example. Google has announced that it will open its innovation space in 2011 in Old street. That will be a creative space for its researchers to come together with developers and academics to create the next generation of applications and services.

Ms Abbott: Does the Minister have an opening date for the Google innovation space? How many staff members will there be, and what sort of investment will be made in that space?

Mr Willetts: We do not yet have that information. I admire the hon. Lady's impatience on behalf of her constituents. She wants detail about the pounds, shillings and pence and the number jobs involved. I should explain that, in short order, we have delivered strategic commitments from big businesses. Decisions to commit to the area have been taken at the highest level.

Of course, the challenge—United Kingdom Trade and Investment is working hard on this—is to convert the big decisions into practical jobs on the ground. Having seen the commitments made by Cisco and Google, including when Google's Eric Schmidt was in London recently, I have no doubt that the follow-up will happen and that we will get there. Commitment has been made at the highest level.

Ms Abbott: Will the Minister give way?

Mr Willetts: Yes, especially as she asks so plaintively.

Ms Abbott: I am touched by the Minister's confidence in these declarations by the big moguls. However, we in the east end know that talk is cheap. The sooner that Ministers can come to us with dates, facts and figures, the happier we will be.

Mr Willetts: I understand exactly the point that is being made by the hon. Lady. There will be various opportunities, perhaps in a follow-up debate in a few months' time, when I will be happy to report progress to the House and to the hon. Lady.

On behalf of the Government, I am also in close touch with the entrepreneurs and business community in east London tech city. I shall report to the House some of the activities that we have been involved in—and there are more coming. I was at the launch in the east end of the Google-Boston Consulting Group report, "The Connected Kingdom", on 28 October.

I met a group of entrepreneurs and business people at London's TechHub on 20 December. I visited the new branch of the Silicon Valley bank on 10 January, which the hon. Lady mentioned. It is a valuable business model, and I know that the Financial Services Authority is close to reaching a final decision on a banking licence. The Department for Business, Innovation and Skills sponsored an event with McKinsey on 17 January. The Minister of State, Department for Business, Innovation and Skills, my hon. Friend the Member for Hertford and Stortford (Mr Prisk) met 60 angel investors, specifically aimed at enabling entrepreneurs in tech city to pitch to them for investment; that took place on 26 January.

I have had meetings with the vice-chancellors of some of the universities that the hon. Lady mentioned, and with others. I can report to the House that the Secretary of State and I will meet University college London, Imperial college London, the Olympic Park Legacy Company and Loughborough university next week further to discuss progress on the Olympic legacy site. We are continuing to work actively on the matter, and there will be a series of further events. I shall be going to a workshop on access to finance at Shoreditch on 4 April, and I shall continue my close contact with that community.

As for local initiatives, I understand that BT will deliver on its commitment and that it will upgrade its services. It confirms that it will upgrade both telephone exchanges in the area, in Clerkenwell and Shoreditch, to its superfast broadband service.

The hon. Lady rightly asked about the involvement of the local community. I shall focus on that aspect in my closing remarks. She can play a crucial role. I know that she is committed to her community. It would be great if we could improve links between the entrepreneurs and the business start-ups at tech city and, for example, local schools. There is a really good atmosphere around the TechHub at what is called Silicon roundabout. It should be possible to involve Hackney schools more, so that teenagers could meet the entrepreneurs in tech city, see what software programmers do and some of the apps that they are developing. They could even come forward with ideas on apps for their mobiles and watch the software developers trying to rise to the challenge.

That would be fantastic. It would be for the good of the young people in the hon. Lady's schools and a fresh challenge for the entrepreneurs. If she wants to work with me on this, I am confident that we could make those connections. Looking nationally, one of the things that I worry about is that, despite large numbers of students doing IT and computer science, we do not do very well on getting them into the right kinds of jobs that use their skills. If we can improve the links to entrepreneurial business leaders at an early stage, we could do better. I would be up for working with her on such a project, and hope that she would be willing to consider it.

Ms Abbott: The Minister makes an interesting point. In Hackney, children are very much interested in IT, but they do not make the move from an interest in IT to the IT professions. I would welcome the challenge of trying to link young people with what is happening in tech city. Moreover, there is the broader concern that young people in areas such as mine often have relatively narrow horizons. Anything that opens up their horizons and makes them understand the connection between studying today and an interesting and exciting job tomorrow is clearly a good thing.

Mr Willetts: I am grateful to the hon. Lady for her positive response. Let us try to work together on that. I bet the kids are much more sophisticated users of the apps on their mobile phones than either I am or she is. We should cut out the middle man and get them to talk directly to the software developers. I assure her that I will keep in very close touch with tech city. We will bring in another set of major venture capitalists from not just the UK but internationally to consider investing in businesses in the area. I know that the negotiations have not yet been concluded, but we are also focusing on specific businesses that are considering undertaking training and apprenticeships in the area. As well as the high-tech software programmer-type jobs that are on offer, we know that the local community wants to fill the technical jobs that can come through apprenticeships.

Ms Abbott: I mentioned aligning what the Government are doing with the local authority. There is a concern at local authority level that it is not involved or cited in the Government proposal. If the Government do not want to align themselves with the local authority, they could at least let it know what they are doing, but the local authority is sort of being kept in the dark.

Mr Willetts: I am sorry that the hon. Lady thinks that. I am sure that it will be possible to arrange for the chief executive of the council to have a briefing on what UKTI is doing. I am up for working with the local community. If it would be helpful for such a meeting to take place, I undertake to ensure that it happens—if it is not happening already. We want to work with the local community. This economic development is, of itself, good for the local community. As the hon. Lady rightly says, having all this activity has transformed the area in the past 20 years. If it would be helpful to have a meeting, I would be happy to suggest it to UKTI.

We are delivering on the ideas set out in the Prime Minister's speech three months ago. We are making progress and we are absolutely committed to the scheme. I am confident that we will continue to achieve the high ambitions that he set us, and I am very happy to keep the hon. Lady closely in touch with progress as we advance.

11.24 am

Sitting suspended.

Water and Sewerage Charges (South West Water)

[MR DAVID AMESS *in the Chair*]

2.30 pm

Mr Adrian Sanders (Torbay) (LD): It is a pleasure to serve under your chairmanship, Mr Amess. I have not had the experience before, but it is certainly a pleasure.

Today, I am raising a matter that is of great concern to the people of Devon and Cornwall and has been for as long as I have been a Member of Parliament, and I suspect for longer than any of us here today have represented our local communities. I had the pleasure of raising this issue in an Adjournment debate previously, but this is the first time that I have been able to do so as a Member of Parliament on the Government side of the House. The fact that the problem has remained almost exactly the same for so long is both a reflection of the intractable nature of the issues involved and a sad reflection on the record of previous Administrations. They had time to tackle this injustice, but sadly they were unable to come up with a solution. I sincerely hope that the Minister who is here today will not let our Government follow the same path.

Of course, the problem is the disproportionately high water bills in the south-west. Although the new Ofwat settlement has only just been released, the indication is that the average bill in the region will be £517 a year and the price rise will be about 8.1%. Rather mischievously, Ofwat had initially told the press and the public that the rise would be only about 5%, but that forecast assumed that customers would adapt their behaviour in the future. It is accepted that more people will move to using water meters. Around 70% of water customers in the south-west already have one and Anna Walker predicted that that figure would rise to 80% by 2015. Moving to water meters would save those south-west customers around £400 per year, but the money still has to be found from somewhere. Metered bills will rise in response to the dwindling supply of high-paying unmetered customers, adding more than £200 to the bills of metered customers.

Metering and in-region social tariffs have long been identified by Ofwat and the Government as an easy solution, but they do not have an impact on the underlying problem. Even if one takes the price rise as a 5% average, that is still far too high for most people to cope with in this age of austerity. It is also important to remember that I am talking about average bills. Many of my constituents now face water bills far in excess of £1,000. That reflects a range of circumstances, from medical conditions that require extra water to simply having a larger family. As always, unmetered customers suffer the worst. The average bill of £517 in the south-west compares starkly with the average bill in London, for example, which even for unmetered customers is only £332 per year.

The privatisation of utilities was meant to open up sectors to competition and to empower consumers, but the privatisation of water has done nothing of the sort. Can one imagine the outcry if electricity prices were 60% higher in Newcastle than they are in London? Any electricity company that tried to implement such price disparities would simply see its regional market share evaporate.

Hopefully, we are all aware of the background to this problem. The privatisation of water in the late 1980s left South West Water with a backlog of infrastructure improvements to invest in. Combined with a tiny customer base and a lengthy coastline, that backlog meant that under the system of regional monopolies South West Water customers would pay higher bills in perpetuity, with their only recourse being to move somewhere else in the UK.

For all its inaction, the previous Government at least recognised the problem. The result is Anna Walker's report on water charging, chapter 14 of which focuses specifically on the south-west. The coalition is about to respond to her report, which again makes this debate timely.

I want to cover briefly three points that are relevant to what is happening now and hopefully the Minister can take them into account when he is developing the final policy on this issue. First, the role of Ofwat needs to be assessed very closely. Ofwat's role as the regulator must be to protect customers and as Regina Finn, its chief executive, said herself:

> "People can shop around for the best deal on many things, but not water. Our job is to do this for them."

I am afraid that the overwhelming view of my constituents is that that "job" is not being done. Many of them see Ofwat as hindering rather than helping the situation in the south-west. Whereas bills fell slightly ahead of inflation in other areas, the south-west has seen the very large rise that I described.

Mr Ben Bradshaw (Exeter) (Lab): Is not the real scandal of this year's price increase that customers were assured at the time of the last price review under the Labour Government that there would be reductions in their water bills in this price period? South West Water is hiding behind the current Government's failure to control inflation. That is a sign of gross insensitivity compared with the situation in, say, local authorities, where everybody else is having their pay frozen.

Mr Sanders: I only half-share the right hon. Gentleman's view, because Ofwat is the body that should protect the consumer and it has allowed South West Water to raise charges by the amounts that I described.

Alison Seabeck (Plymouth, Moor View) (Lab): I agree with the hon. Gentleman's assessment that Ofwat's role in this regard is key, although I also accept the points made by my right hon. Friend the Member for Exeter (Mr Bradshaw). I have just received an e-mail from one of my constituents that makes exactly the same point as the hon. Gentleman. My constituent says that he lives in a three-bedroom house; there are two residents, and he has received a bill for more than £1,000 for the coming year. Ofwat has agreed these prices. My constituent's question is, "Do they realise just how much individual customers are having to pay and the impact on those households?" I urge the Minister to look again—please—at the role of Ofwat in all this.

Mr Sanders: Indeed. I would rather like Regina Finn to spend perhaps a year in the south-west on average wages. If that were to happen, I think that we would see a change in Ofwat's policy.

I also question the use of the retail prices index in setting price rises. Although Ofwat technically enforces price ceilings, it is de facto setting prices. We are moving to a system of uprating pensions and benefits by the consumer prices index. We should do that for water bills too, at least to make the price rise somewhat defensible.

On the wider issue, however, Ofwat has consistently failed to engage with the real problems highlighted in Anna Walker's review. At the moment, Ofwat does not seem to be interested in finding a resolution to the south-west problem and so it cannot be seen to be standing up for south-west customers. When it comes to the protection of consumers' interests in the south-west, Ofwat is as useful as a chocolate teapot.

In our discussions with Ofwat, its representatives have told us that solving this problem would be complicated and that we should focus on a social tariff instead, which is where Ofwat is investing its time and energy. Curiously enough, the official line is that Ofwat took that decision unilaterally. Parliamentary answers revealed that neither the Department for Environment, Food and Rural Affairs nor the Treasury gave any instructions or guidance and that Ofwat has not even written down a plan of its work for reviewing Walker. All we have had is a vague indication from the hon. Member for Ogmore (Huw Irranca-Davies), who was the Minister with responsibility for water in the previous Government, that Ofwat should look into reviewing Walker.

The plot thickens, however. When I submitted a freedom of information request on this issue, it emerged that the Treasury briefed Ofwat on what it wanted Ofwat to achieve in its work, but as yet, exactly what that entails has not been disclosed. Perhaps I have been unfair to Ofwat in that the Government are the reason why it is useless at protecting South West Water customers. Maybe the Minister will reveal the truth.

Andrew George (St Ives) (LD): One of the reasons why Ofwat might not be particularly effective in protecting South West Water customers is that when water was privatised, a risk-free money-making system was effectively created. When somebody has a monopoly on services such as water and sewerage services, that is bound to happen. However, the problem in the south-west is that there is a national asset—the beaches—that has to be cleared up and cleaned up at great expense by a very small part of the population. The south-west has 30% of the national beaches, but only 3% of the national population. Of course, if we compare that with the National Gallery or the British Museum, which are funded from national taxation, we in the south-west have to protect a national asset on the basis of having only 3% of the population. That is simply unsustainable.

Mr Sanders: My hon. Friend makes a very important point, and I made that same point in a Radio Cornwall interview not an hour ago. It is amazing that that station can be picked up so far away.

My main point is that the development of a solution is fundamentally undemocratic and beyond scrutiny. Deciding which combination of Walker's recommendations to implement should be down to the political will of

[Mr Sanders]

Ministers and the Government. It should be for them to take the courageous decision to put an end to this injustice or suffer the political consequences. The solution should not be watered down—excuse the pun—by quangos and officials who have no inherent interest in standing up for water customers, especially not those in the far south-west. Ofwat claims that a levy on other water company areas to bring down bills in the south-west, or to equalise bills across the country, would breach Treasury rules, and it is not keen to explore changing those rules, but the nationwide social tariff suffers from that very same problem, because it involves moving money around between water customers, outside the Government's coffers.

Dan Rogerson (North Cornwall) (LD): I am very grateful to my hon. Friend for all his work on this issue over a great number of years, and I congratulate him on securing the debate.

Does my hon. Friend not agree that there is perhaps a misapprehension among some people that the south-west is a wealthy part of the country, and that that somehow informs the view that costs could not be shared across the country? There is an idea that many wealthy people are sitting down on huge estates in the south-west and being subsidised by poorer people in urban areas elsewhere when, in fact, areas such as Cornwall are some of the most deprived—there are very low incomes there. That is what ought to inform the decision about a more equitable way forward.

Mr Sanders: My hon. Friend is absolutely right. In my constituency of Torbay, the unitary authority area now has a gross value added level lower than Cornwall's was when it qualified for objective 1 assistance, and there are other such pockets in the south-west.

Alison Seabeck: I would like to reinforce the hon. Gentleman's point. Does he not agree that, with the current increase in water rates, we will see more pensioners, particularly in the area around Torbay and in my constituency of Plymouth Moor View, falling back down below the poverty line? The Government would not want to see that happen, but undoubtedly they will.

Mr Sanders: The hon. Lady is absolutely right on that point.

If Ofwat is not supportive, we at least have political unity around the idea that something more than a social tariff and something specific to the south-west needs to be done, and I need only consult the *Hansard* report from a previous debate on this very issue, in January 2010, to see that. In that debate, we had the support of the then Labour Members for Plymouth and some warm words from the then Minister with responsibility for water, the hon. Member for Ogmore. The right hon. Member for West Dorset (Mr Letwin), who is now one of the Prime Minister's chief aides, stated that

> "there seems to be a strong case for some kind of spreading of cost"—[*Official Report*, 27 January 2010; Vol. 504, c. 323WH.]

The Liberal Democrats have, of course, championed the cause for many years. I see that I am joined today by Members from all parties, who are united in wanting to get something done for their long-suffering constituents, and I hope that many of them will be able to contribute later in the debate.

The overarching problem, which Walker ably demonstrates, stems from privatisation. On privatisation, South West Water had the smallest asset base—what was called the regulatory capital value—per customer, and it now has the highest, at 210%. South West Water customers will therefore pay far more for longer. If that situation were to occur in any other utility it would be outrageous, but for some reason successive Governments have tolerated it in the water industry. The previous Government sadly never understood the damage caused by the failed privatisation. I describe it as failed not because the water companies have not provided a good service—on the whole they have—but because it has simply not delivered a market, not even a heavily regulated one. No domestic consumer can choose between water companies, and instead of being reinvested fully in the service, the surplus created is converted into profit for shareholders. The water customers in the south-west do not like that, and I suspect that if it happened to other regions they would not like it either.

That brings me to some potential hope in this doom and gloom. We have a new Government. We are in the era of new politics, and appear to have a listening Government, and so I invite the Minister to join in this spirit of new politics and listen to the people of the south-west. If he spoke to them, they would tell him that they do not want just a social tariff or some adjustments around the edges, but a fair and transparent system, whereby they pay the same as everyone else in the UK for the water and sewerage services they use.

The Minister's party was in power at the time, so he might not join me in wishing that privatisation had never happened in this industry, but I hope that he will acknowledge that it was carried out in a wrong-headed way. The company in the south-west needed a much bigger customer base, and needed to be compensated for the poor state of its infrastructure. If the Minister does join me in this, I hope that he can take the next logical step and support something that addresses these historical problems and lifts the unfairness. I particularly mention unfairness because it is important not to conflate it with affordability, and it would be very foolish if the Government pretended that addressing the problem of water poverty also solved that of unfairness. I shall give an example to illustrate the problem. A family earning £35,000 would never come under the scope of WaterSure or any improved social tariff. They would, however, feel incredibly aggrieved if they had to pay anything up to £400 more for exactly the same service and product than if they lived anywhere else in the country, and that insult is made worse by the fact that the service is a basic necessity.

I understand, however, the Minister's difficulty in being able to give concrete answers to many of the questions that will be raised today. There will necessarily be input from the Treasury as well as from No. 10, and in a way it is a shame that we cannot have Ministers from both Departments—the Treasury and DEFRA—here today, as some might argue that the solution is to be found at the Treasury. The Treasury can make or break another Department's plans, but I hope that the Minister is pushing the case both for a social tariff and, more importantly, a solution to the south-west injustice.

Overall, we know the problem. Water bills for all customers in the south-west are far too high, as a result of the way in which the industry was privatised. We need a structural solution, through Government intervention, to remedy that unfairness. I am not sure how much detail the Minister can give in response, but I want him to recognise the difference between addressing water poverty and addressing unfairness. I hope that he can restore, or shall we say maintain, my faith, and that of others, in this Government, by promising to address both those issues.

Alison Seabeck: On a point of order, Mr Amess. To avoid any possible misunderstanding, I should draw Members' attention to an entry in the Register of Members' Financial Interests by my right hon. Friend the Member for Greenwich and Woolwich (Mr Raynsford), in whom I have an indirect interest: he is my partner.

2.48 pm

Dr Sarah Wollaston (Totnes) (Con): I congratulate my hon. Friend the Member for Torbay (Mr Sanders) on securing the debate and on raising this really important issue.

I shall start by reading from an e-mail that I have received from a hard-working 52-year-old constituent of mine, Mr Bamber. This is the first time that he has written to his MP:

> "I'm having a pay rise of 0.0% this year, but being a good bloke it's for the good of the country. Then my water bill arrives—it's risen by 9.75635%. I'm mad, and I'd like something done about it."

He is not alone; I have received several e-mails. Another disturbing fact was raised in an e-mail from a constituent who pointed out that his elderly mother, who is 80, has a water bill of £1,040, despite existing on a post office pension and being in substantial difficulties.

Although we all appreciate schemes such as WaterSure, many constituents have great difficultly in accessing them. I was particularly disturbed by a visit to my surgery this week by the husband of a constituent who suffers from severe multiple sclerosis. He brought with him evidence that he had sent to South West Water of her very much increased water usage as a result of her condition, and of the fact that she is on the higher rate of disability living allowance. They have, however, been declined access to WaterSure, which I am sure hon. Members agree is a complete disgrace. I hope that South West Water address that matter immediately.

The issue is one of unfairness. As my hon. Friend the Member for Torbay has pointed out, our constituents do not have any choice in the matter, other than to live somewhere else in the country, which is clearly ludicrous. The rises have been described as 8.1%, but for many constituents, they are nearer 10%.

Anne Marie Morris (Newton Abbot) (Con): Does my hon. Friend agree that there is a case for suggesting a cap, which would not allow the 8% rise to apply in the south-west?

Dr Wollaston: I agree completely. If Ofwat were doing its job properly, it would see that that is inherently fair. It is completely unreasonable to expect anyone to deal with a rise of more than 5%. Near 10% is totally outrageous, particularly given that our constituents have no choice whatever in the matter.

As other hon. Members have said, we are not, as is often assumed, a wealthy area. Some 22% of people in the south-west are pensioners, which is well above the national average. No one would suggest that pensioners are a wealthy group, but they are none the less being subjected to outrageous rises in their water bills. Will my hon. Friend the Minister take all those points into consideration? It cannot be fair for 3% of the population to shoulder the burden of cleaning up 30% of the coast. Of course, none of us feels that we could have continued using 200 sea outfalls to dispose of sewage, and we all welcome the economic boost from the infrastructure programme instituted by South West Water, but it is clearly unfair that the burden of that necessary programme should fall on our constituents.

2.52 pm

Andrew George (St Ives) (LD): It is a pleasure to serve under your chairmanship, Mr Amess. I congratulate my hon. Friend the Member for Torbay (Mr Sanders) on securing this important debate and articulating so well the case for taking action, and my hon. Friend the Member for Totnes (Dr Wollaston) on reinforcing his points.

My contribution will be relatively brief. I want to emphasise some of the points made by my hon. Friend the Member for Torbay. The privatisation of the water industry 20 years ago effectively created a risk-free money extortion system, as I said earlier. The company knows full well what the circumstances are in the south-west. It can almost print its dividend the year before, because it knows how the market works: it is not competing with anyone else, and the only variables are uncertainties about its input costs during the year and the risk that it might not be able to recover payments from all its customers, which is increasingly occurring in areas such as mine. Incomes in Cornwall have been at the bottom of the earnings league table since records began, and South West Water's prices are and have always been significantly higher than in the rest of the country. In those circumstances, people have great difficulty paying the water charges with which they are presented. The legacy of basing water charges on the archaic and unjust rating system, which is not used for any other purpose, re-emphasises that significant reform is needed.

The one beneficial outcome of the circumstances in which the system operates is that it encourages people to recognise the advantages of water metering. South West Water has not engaged in an evangelical campaign to encourage people to install a water meter in their homes or premises; people have simply recognised that they can at least attempt to control their bills by various means, and in many cases the most effective way is to install a water meter. If there is a silver lining in the cloud, it is that people have pursued that. I think that it is accepted across all parties that the increasing move towards universal metering is broadly desirable in public policy terms, and certainly in environmental terms, if we are to address the proper management of natural resources.

In my intervention on my hon. Friend the Member for Torbay, I drew parallels with other, similar national assets. Our beaches are a national asset, which people come to from all over the country all year round. It is not just a summer thing, as it used to be; in my constituency, kite surfers come down from London and from other

[Andrew George]

parts of the country throughout the winter months to enjoy the beaches and the sea around our coast, and they do so with some confidence that they will not go away with a bug, due to the efforts of South West Water to clean up those beaches and ensure a significant reduction in the public health risks associated in the past with bathing in some waters in the south-west.

Those beaches are a national asset, like the British Museum, the National Gallery and the Olympic stadiums, which are being funded by everyone in the country. We do not ask London taxpayers alone to fund them.

Anne Marie Morris: I support what the hon. Gentleman is saying, because the heart of his argument is about fairness. Everything that we have heard to date has been about affordability. As crucial as that is, I would be concerned if any future review or consultation did not address fairness. The points that he is making are absolutely right.

Andrew George: I know that Ministers are wrestling to produce a fair and equitable solution, and I know that this Minister has been engaging constructively and is well seized of the problem and the challenges that we in the south-west face—I have no doubt that he understands the issue fully. Discussions with other Departments, especially the Treasury, will inevitably be involved. I hope that the issues can be resolved to the satisfaction of the long-suffering water rate payers of the south-west. My hon. Friend is absolutely right that any solution must emphasise fairness.

It is worth while, when considering the issue, to compare water with electricity, telecoms and other utilities. In any other part of the country, it is at least possible to opt for another supplier of services. Therefore, whichever part of the country someone happens to live in, they will know that a regulator is regulating the market to ensure that there is fair competition and an even playing field, so that anyone in the country has the opportunity to at least obtain services—in this case, we are talking about water and sewerage services—that are no worse and no better than anywhere else in the country. We pay a significant amount more.

Alison Seabeck: On the glamorous subject of sewage, does the hon. Gentleman share my concern that, apart from the current pressure on bill payers in the south-west, we will have additional pressure from the transfer across of the private sewer network? It seems to be a completely unknown quantity—South West Water does not really know what it is taking on and what the impact will be. Will the hon. Gentleman join me in urging the Minister to offer reassurance on that?

Andrew George: The hon. Lady is absolutely right. I do not know whether this is area in which she is declaring her interest.

Alison Seabeck: Not in sewage.

Andrew George: I am sure that her interest is in something far more glamorous than the adoption of private sewers. I have raised the matter with the Minister and there has been consultation on it. Water companies are aware of the issue and some have undertaken their own calculations of the impact that it might have. I am confused and uncertain about how far down the water companies will have to go—it is possible to get stuck on these issues due to the number of metaphors that could be adopted in relation to them, but I shall not dwell on that for too long—before they take on those obligations. Other issues include the state in which those sewers would have to be in order for them to be fit to be adopted and, indeed, whether the companies will have the opportunity to assess the condition of those drains and sewers in the first place.

The information that appears to be coming from the marketplace and from those who are engaged in the industry is that both the previous and present Governments have not properly assessed the true impact that the proposal is likely to have. The knock-on effect will be on all customers—not only in the south-west, but countrywide—although it will be disproportionately worse for those in the south-west, because any increase in their bills will be on top of something that is already extortionately high. I know that the Minister is looking into the issue. The matter clearly needs to be resolved before we go down the track of finally forcing water companies to adopt private sewers and drains. I hope that the Minister will address the issue in his comments.

The hon. Member for Newton Abbot (Anne Marie Morris) has left the Chamber, but she raised the issue of fairness. When we have debated how we can address the legacy of unfairness that has been left to South West Water customers, we have talked about the potential adoption of a national levy, which is one of the options proposed by the Anna Walker review. A national levy would be a very small, gnat bite of a charge, which few people would notice and which would address some of the inherited legacy of additional unfairness in the south-west and other parts of the country. However, if we adopted such a levy, and if it were simply a flat rate charge for all water rate payers, poor water rate payers in one part of the country—the north-east, for example—might end up subsidising wealthy second home owners, who already pay, if they have water meters, significantly less than most people in their locality. Clearly, to address the issue of fairness, if we were to adopt a national solution, it would have to be significantly more sophisticated than a simple, flat-rate solution. I know that the Minister is well aware of the issues.

Mr Sanders: It is worth putting on the record the amount that would be asked of each customer. It is in the Walker review. It is £1.50 per customer per year.

Andrew George: I am grateful to my hon. Friend—he has the figure to hand, but I do not. As I have said, it is an imperceptible gnat bite of 3p per week throughout the year. It is not a significant charge for people, and the potential benefits to this country's water rate payers, such as those in the south-west, who are significantly disadvantaged, would be considerable.

Finally, I have emphasised the benefits to water rate payers if they, in most cases, adopt a water meter. Many of those living in houses in multiple occupation, sheltered housing and so on are not able to install a meter in their own individual property. When they query that and ask South West Water how, given the unfairness of the system—particularly if they are elderly, do not use a lot of water and live n their own—they might reduce their bills and the exorbitant charges that they have to endure, they are told that they have a range of alternative options, one of which is to return to South West Water, which is obliged to offer them an assessed charge, which assesses their notional water usage and charges them on the basis of what they would have been levied had they had a water meter.

In all such cases with which I have dealt over the years, those charges have usually reduced bills by half or more. My point to the Minister is that, rather than expecting water rate payers—particularly those living in sheltered accommodation who do not have assessed charges—to believe that there might be an alternative solution and to then be articulate and confident enough to approach the company to ask for one to reduce their charges, it should be the company's default position to make those customers aware of the availability of an assessed charge. Many vulnerable people live on their own in sheltered accommodation without the benefit of reduced charges on water meters, but they could at least be given the opportunity of an assessed charge. That is what the company should be doing in the first place.

I have run South West Water down something rotten this afternoon, and to be fair, the chief executive, Christopher Loughlin, is fully engaged with these issues. When I raised the issue of assessed charges, he accepted that the company can be much more on the front foot and assured me that it wants to tackle the issue. He is conscious of the impact on his customers of issues such as the fairness of billing and the charges levied by South West Water, and he is fully behind the campaign by Members from all parties. The company is aware of these issues and would welcome any solution that, while not giving it any particular benefit, would reassure its customers that arrangements can be put in place that are more equitable than those they have had to endure for the past 20 years.

3.10 pm

George Eustice (Camborne and Redruth) (Con): I congratulate my hon. Friend the Member for Torbay (Mr Sanders) on securing this important debate on the problem of water charges in the south-west. As he said, it is good to see colleagues from all parties here, many of whom have campaigned long and hard on this issue over a number of years.

I want to focus much more on the difficulty that we have solving this problem than on the problem itself, which has been comprehensively articulated by previous speakers. As I see it, the problem comes down to three key issues, which are often highlighted by Ofwat. First, half a dozen MPs from the south-west face the brutal problem of persuading 600 MPs elsewhere in the country that it is worth their while voting through legislation to require water customers in their areas to pay a sum of money—albeit only £1.50 a year—without, as they would see it, getting anything in return.

The second difficulty is one that the Minister has previously raised: someone on benefits or a very low income—someone living on the minimum wage in somewhere such as Manchester—could end up subsidising the bills of a millionaire with a second home in Cornwall.

The third problem that is sometimes cited is that we might set some sort of precedent. Thames Water is, for example, doing a lot of infrastructure work with the Thames tunnel, and the argument is that if we make an exception for the south-west, recognising what has been done there, the injustice that has been suffered and the infrastructure that has had to be put in place, we would be setting a precedent for other water companies.

The answer is to design a scheme to address those concerns—something that should not be beyond the wit of man. I have raised the issue with the Minister before, so he will be aware of my suggestion for a fair discount scheme. There would be two key criteria at the heart of that formula. First, there would be affordability. We would use the definition of affordability cited in Anna Walker's report, which says that anyone who spends more than 3% of their household income on water bills is water poor. We should ensure that all those who spend more than 3% are eligible for some form of discount. That would catch about 70% of South West Water customers, and millionaires with second homes in Cornwall would not be eligible because they would not spend more than 3% of their household incomes on water. That would deal with the second argument that I set out about people on low incomes subsidising millionaires.

The second key criteria at the heart of the scheme would be recognising fairness. The scheme would recognise in absolute terms the scale of the bills in the south-west. People often have bills of £700 or £800 a year, and I have even heard anecdotally of people getting bills of £1,000 a year. That is why water charges are a political issue in the south-west in a way that they are nowhere else. There is a real issue of fairness just in terms of the absolute size of the bills.

We would, therefore, have a discount, which would be tapered depending on how much people's bills varied from the national average. We would say that people in the south-west, whose bills are double the national average in many cases, were entitled to the full discount, which might be £80 or £100 a year. They would still pay more than anyone else, but they would receive a significant discount, which they would recognise as making a real difference.

In areas such as that covered by Thames Water, people might be technically water poor, but the fairness criteria would recognise that water bills in London are already very low and, indeed, below the national average. The taper would ensure that the discount given to those who were water poor in the Thames Water area was far smaller, because we would be recognising that their bills were not such a difficult issue and started from a low level.

The provisions would ensure that we had a national scheme that was open and available to all. Such a scheme would target affordability and not subsidise millionaires. It would also recognise unfairness and the fact that water charges are a political issue in places such as Devon and Cornwall by having a taper and changing the discount depending on the variants.

I put those thoughts to the Minister a couple of months ago, and lots of work is going on. I commend the approach that he has taken; he has worked incredibly hard to find a solution. The coalition has given a commitment to address the problem, and we all have a reason for wanting a successful outcome. I very much hope that we can find a solution together.

3.16 pm

Mr Jamie Reed (Copeland) (Lab): It is an absolute pleasure finally to serve under your chairmanship, Mr Amess. I congratulate the hon. Member for Torbay (Mr Sanders) on securing this debate. I have taken note of the attention that he has given these issues in parliamentary questions and, most recently, in early-day motions. I am well aware of the anger, frustration and even desperation that many of his constituents feel as a result of the long-standing problems with water and sewerage charges in his area.

As the hon. Gentleman will acknowledge, MPs of all political persuasions across the south-west have focused a great deal on this issue. I have talked about it at length with my hon. Friend the Member for Plymouth, Moor View (Alison Seabeck) and my right hon. Friend the Member for Exeter (Mr Bradshaw), who are particularly exercised by the lack of progress on the Walker review—an issue to which I will return—and by the continued suffering of their constituents, particularly the poorest ones.

It would be wrong of me not to pay tribute to the outstanding work of Linda Gilroy, who did a huge amount of work in ensuring that the previous Parliament was aware of and understood these issues, and any future progress will necessarily be down in part to the remarkable effort that she expended.

Andrew George: It is worth ensuring that that commendation for the work done by the former hon. Member, Linda Gilroy, has cross-party support. As a fellow officer of the all-party group on water, I know that her commitment and involvement took the campaign a great deal further than it would have gone otherwise. Her work certainly should be commended, and the Minister will no doubt recognise that, too.

Mr Reed: I thank the hon. Gentleman for those remarks. With his typical generosity, he demonstrates that a solution can be found on a cross-party basis.

As somebody who is closely associated with my own region, the north-west, I understand how Members of Parliament can form a regional identity and share concerns across party lines about issues that are of outstanding regional importance, as water is in the south-west. I also understand how politicians from other regions who pontificate about regional issues, where those almost certainly require national solutions, can quickly arouse suspicions among MPs from the region in question. As a Member of Parliament from Cumbria, which is surrounded by the Irish sea and the Cumbrian fells, which is partly within the Lake district, which is sparsely populated, where tourism is incredibly important and where water and sewerage bills have risen exponentially since 1989 to become the highest outside the south-west, I understand.

The average annual bill for water and sewerage services in the south-west has risen by 72.2% between 1989 and 2010-11—the highest increase in the country. As my hon. Friend the Member for Plymouth, Moor View stated in her Adjournment debate last year:

> "The problem we face is simple: water rates in the south-west are 25% higher than the UK average, placing an unfair burden on...my constituents and all residents across the south-west of England."—[*Official Report*, 14 June 2010; Vol. 511, c. 710.]

The average bill for South West Water customers is significantly higher for 2010-11 than elsewhere in the country, at £486, as opposed to a national average of £339, as I think has been mentioned. In addition, unmetered customers also face much higher bills, with an average of £721 for South West Water consumers, as opposed to a national average of £394.

As has been roundly discussed, that does not happen by accident. The widely condemned Thatcher privatisation of the water industry in the 1980s led directly to many of the problems that we face today, but the south-west's significant demographic and economic characteristics reinforce the problems associated with high bills. They must be understood in an integrated way. They cannot be considered in isolation. As has been touched on, 22% of South West Water customers are pensioners, although being a pensioner should not be used as a blanket term to denote people living in financial hardship; many hon. Members would share that view. In addition, I think that it has been proved that lone parents have more affordability problems than single pensioners. The percentage of lone parents in the south-west is at the national average.

An extremely high proportion of the population live in sparsely populated rural areas—something that I am familiar with. That makes service provision more expensive and diminishes economies of scale. The policy solutions should address the problems that are faced today. The fact that housing affordability issues are the most acute in the UK outside London should be considered. As has been alluded to, the region is the UK's top tourist destination. The population rises more than by 25% in peak tourist weeks, with the result that the demand for water is a third higher than for the year as a whole.

I understand that South West Water understands those issues, and it should be commended, as it has been, in part, by hon. Members on both sides of the Chamber, for investing more that £1.5 billion in the clean sweep programme, which has done so much to transform sewage treatment and the natural environment. However, bills for consumers in the south-west are now 25% higher than those in the rest of the country, and for the most vulnerable in the south-west community—those struggling alone on a pension, lone parents trying to raise their families and single people living in rented accommodation—water bills present a struggle. It has been estimated that their bills can take 10% of their incomes. Surely, that cannot be acceptable. I pay tribute to the Consumer Council for Water for the work that it has done and continues to do in trying to influence prices for consumers not only in the south-west but throughout the country.

We can talk at some other stage—I have no doubt that we will—about the current economic situation, its causes and its potential remedies, but it is certain that the people in our society who will feel the effects of the recession the most, and who will without doubt feel the brunt of the Government's cuts the most, will be those who already suffer the most from rising water charges, by comparison with other consumers. It cannot be right for up to 10% of their incomes to go on purchasing what is a basic entitlement—a right—while food and fuel costs are rising, the Government have raised VAT to 20%, unemployment is rising and job insecurity is everywhere. Action must be taken sooner rather than later.

The issues associated with water and sewerage charging in the south-west are difficult. The hon. Member for Torbay called them intractable. The Minister knows that they are difficult and has said as much in this place and to the Select Committee on a number of occasions. He understands the difficulties of the decisions and recognises the difficulty for many people who face such water charges. I believe that the Minister wants to do the right thing, but wanting to do the right thing and doing it are very far away from each other. Intentions count for little. The difference between intention and action is the same as the difference between night and day. It is difficult for DEFRA Ministers, as the Secretary of State hovers around the exit door to get things done, and the Department risks becoming inert, like many others in Whitehall, as sackings loom and the near 30% departmental cut begins to bite, but a lot of the heavy work on this issue has already been done, in the form of the Walker and Cave reviews.

The Government announced in August 2010 that they would review the regulation of the water industry to assess whether the current framework, including Ofwat's statutory duties, remained fit for purpose. Does the Minister believe that Ofwat is fit for purpose, and if not, why not? The industry review is also meant to assess how well Ofwat translates guidance from the Government and its statutory duties into its decision making. With that in mind, did the Government give any advice to Ofwat with regard to water pricing in the south-west before Ofwat set the price for the region for this financial year? Did the Government give any guidance to Ofwat about the problems being faced by south-west customers before the latest price rise was announced? Inflation is currently 4.7%, yet Ofwat's allowed increase for South West Water customers averages at 5.1%. Have the Government discussed that with Ofwat at any stage, before or after the announcement, and is the Minister happy with that level?

I understand that the water review will directly inform the Government's White Paper, to be published in June. Will the Minister confirm that the White Paper will be published no later than June? He will understand that it needs the fullest parliamentary scrutiny if it is to command broad support. The fundamental question is whether, almost a year after taking office, the Minister can explain what is halting the implementation of the Walker review. It was a superb piece of work that commanded support from hon. Members on both sides of the House and that held within it, as has been mentioned, many potential remedies to the problems of the south-west and South West Water consumers.

Will the Minister today give hon. Members a categorical assurance of a commitment in principle by the Government to implementation of the Walker findings and to a timetable for implementation? That is not much to ask. Further, will he confirm that the reduced capacity of DEFRA has in no way affected the implementation of the Walker recommendations? Will he also address fears that the Government's review and the production of its White Paper have prohibited the implementation of Walker thus far? There are fears, which so far are justifiable, that the Government are backtracking on Walker. In the words of the American gospel hymn, "How long, O Lord, how long?"

Finally, the Chartered Institute of Environmental Health has defined water poverty as beginning when a household's water bill equates to more that 3% of its income after tax. As we have heard, in the south-west, some households pay in the region of 10% of their income on water bills. Does the Minister know what percentage of people living in the south-west live in water poverty? Will he undertake to publish an assessment of how many people are living in water poverty by region and by constituency, and ensure that his White Paper will contain measures with which to eradicate water poverty? I believe that there is much common ground on which we can build.

3.27 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): It is a great pleasure to serve under your watchful eye today, Mr Amess. I congratulate my hon. Friend the Member for Torbay (Mr Sanders) on securing this important debate. I also congratulate him on his long association with this issue and on standing up for his constituents, like so many other hon. Members, of all parties, this afternoon.

My hon. Friend raised several issues, but a key point was about the role of Ofwat. Other hon. Members, not least the Opposition spokesman, mentioned its role, and it is important to understand how it operates. I am surprised that the hon. Member for Copeland (Mr Reed) has not quite grasped the fact that it is an independent body. It would be entirely wrong of me, as the Minister, to try to influence its approach to its independent role, which is written in statute. That is not to say that we are sitting back and allowing the status quo to go on existing. We are testing, deeply and in great detail, whether Ofwat is fit for purpose and in a suitable condition to go to the next phase. Twenty years after privatisation, it is right for us to examine all aspects of the water industry.

David Gray, a highly respected individual who has great experience in the regulatory world, is carrying out a detailed review. I urge the hon. Member for Copeland and all those who are interested in this fascinating subject to understand the review that is taking place, and the role that Ofwat plays. I am determined that the constituents about whom so many hon. Members have spoken so movingly should be at the forefront of our minds while we consider the issues in question. Ofwat has an important duty to protect and stand up for them, independently of the Government. When the Government get things wrong Ofwat has a duty to tell them so. It also has a duty to ensure that the water companies, which have monopoly interests, are responsible to the people concerned. I take that duty very seriously.

The hon. Member for Plymouth, Moor View (Alison Seabeck), who is no longer here, made a point about water poverty. My hon. Friend the Member for Torbay and others mentioned that there might be some people in the House—I am yet to meet them—who believe that the south-west is full of comfortable people who have moved there in retirement and are relatively wealthy. I know that, largely, the opposite of that is true and that many people and communities suffer high degrees of deprivation. Of course, there are wealthier communities. However, if people assume that any community in the south-west can take such a water bill increase because there is no poverty, they make a fundamental error. That is something I take very seriously.

[Richard Benyon]

Yes, I speak to people from the south-west, and, yes, I will listen. That point was raised by my hon. Friend the Member for Totnes (Dr Wollaston). I have listened and will continue to listen to people in the area. I know what an important issue this is and that it is a political as well as a social issue. The matter is fundamental to the concerns that hon. Members have voiced for much too long. I recognise that we must come forward with solutions and, in a moment, I shall talk about how we will achieve that.

I hope that I can address some of the other issues during my remarks and, of course, I remain willing to deal with them. A point was made about the adoption of private sewers. I cannot say precisely when we will introduce proposals on that, but the coalition has a very clear commitment to dealing with that important issue and to ensuring that we do so as equitably as possible. The hon. Member for St Ives (Andrew George) also has a long background in talking about the subject, and I appreciate the support, the many conversations that we have had and the assistance that he has given me on the matter. I accept his point about a default position, and I will follow that up with South West Water and continue to have conversations with him.

My hon. Friend the Member for Camborne and Redruth (George Eustice) has provided me with an interesting idea. I can tell him that officials are crunching his numbers as we speak and that he has contributed some thoughtful suggestions. At this stage, I cannot say how we will take that forward, but I will keep in touch with him. In passing, comments have been made about privatisation. All I shall say is that £90 billion has been invested in the water industry, which is a considerable achievement, and that other Governments have had endless opportunities to reverse what happened 20 years ago. I recognise the very real belief in the south-west that, in the case of that area, not enough thought was given. I will address some of those points, too.

First, I shall discuss the specific issue at hand. Ofwat has announced that average bills for household customers of South West Water in the coming year will increase from £486 to £517, which is an increase of 5.1%. Nearly all that increase is due to inflation, as water bill increases are linked to inflation.

Dr Wollaston: May I raise the point that the accepted figure is 8.1% because the figure that the Minister quotes assumes that people will be switching to water meters?

Richard Benyon: My understanding is that that is the figure over the piece. However, I am happy to look into that and give my hon. Friend an absolutely clear and unequivocal answer, because it is important that we know that figure. In her earlier remarks, I think she raised the point about why we use the retail prices index rather than the consumer prices index. *[Interruption.]* Sorry it was not her; it was my hon. Friend the Member for Torbay. Bills have been tied to inflation since privatisation because, when inflation is higher, water companies' costs increase. As is the case with other regulators, Ofwat uses RPI. Although RPI was higher than CPI this year, it was actually lower than CPI when last year's bills were calculated, so average bills that year were lower. We can argue about percentage points, but that is an important factor. Let us take that matter forward in our consultation, which I will come to in a moment.

I am acutely aware that nobody wants to see higher bills, particularly in these tough economic times. However, we should not lose sight of the fact that the money raised will pay for £159 million of investment in the region during the next financial year, which will benefit customers. I know that that sounds trite, and I am not diminishing the effect of the increase, but we must recognise that there are also benefits, including £14 million to improve tap water quality, £10 million to repair crumbling sewers and £28 million to further reduce pollution incidents.

Mr Bradshaw: Given the severe squeeze on family incomes, would it not have been better for South West Water to have delayed some of that expensive investment and to have frozen the rise? The Minister seems to be giving the impression that the Government do not bear any responsibility for inflation, but it is, of course, his Government who have let inflation rip.

Richard Benyon: I chose to ignore the right hon. Gentleman's earlier remarks about the Government being responsible for the rise in inflation at a time when commodity prices and oil prices are rising. He only has to read the newspapers to see what is happening to food prices and how that is being influenced by so many other different factors. I think I shall move on, because I simply do not accept his point.

Mr Bradshaw: Why is inflation in Britain more than twice as high as it is in Germany?

Richard Benyon: We could debate that at great length and talk about our reliance on oil, how that might differ from other countries, where we were working from a year ago and the impact of the previous Government's activities, of whom he was a part. I will be happy to have that debate at another time but, at the moment, I want to talk about the right hon. Gentleman's constituents and the impact of the increase in water bills. I also want to talk about the actions that are in my power to take to improve that. I am happy to take any interventions that he may wish to make on that.

We have been carefully considering Ofwat's final advice in relation to the south-west, which I only received in January. These are difficult issues, and, as has been said, there are no simple solutions. It is essential to ensure that our proposals are workable, fair and affordable, particularly in the current economic climate. We hope to issue our consultation on the Walker review soon, but it is essential that we get this right.

Hon. Members have discussed the differential between metered and unmetered bills. The average bill for a metered household in the south-west is around £400, while the average bill for an unmetered household is around £720. Hon. Members have given examples where both types of bill are considerably higher than those averages. That is because—as we have heard—70% of households in the south-west are metered. Average metered and unmetered bills reflect the estimated water consumption between those households. Unmetered households pay more, because, on average, they use more water than metered households. As hon. Members are aware from previous debates, bills vary between companies. That reflects the cost of providing water and sewerage services in an environmentally sustainable way in different regions with different circumstances.

In all cases, Ofwat—as the independent economic regulator of the water industry—ensures that bills are no higher than they need to be to finance the investment required to provide water and sewerage services. My hon. Friend the Member for Totnes and others have discussed how unfair it is that 3% of the population pay to clean up 30% of the coastline, and I know that that is the prevailing view in the south-west. The Walker review looked closely at whether environmental improvements are public or private goods and who should pay for them. Anna Walker concluded that spending on environmental improvements, such as cleaner beaches, is largely required to make sure that the disposal of sewage does not harm the local environment and that the benefits are mainly local. In particular, having a sewage system and beautiful clean beaches delivers huge benefits to the region through tourism. I know that there are many people—I am one of them—who enjoy the beaches and the coastline, but who do not pay those bills. The complication of trying to devise a scheme where we can hypothecate is something that not just I, but my predecessors and many others in this House, have sought to tackle.

Support is available now for low-income and vulnerable households. Currently, the national WaterSure tariff caps the bills of qualifying households at the average metered bill for their company. Households qualify for WaterSure if they are metered and in receipt of means-tested benefits, and either have three or more children living at home under the age of 19, or someone in the household who has a medical condition that necessitates a high use of water.

Individual cases were raised today. As they were described to me, those people should qualify, but are not receiving WaterSure. I want to take those cases up. My hon. Friend the Member for Totnes raised a case about a multiple sclerosis sufferer. I would like to know whether multiple sclerosis has an increased water requirement, and why that case is not covered by WaterSure. That is something that we may have to look at through the consultation that we are about to undertake.

WaterSure ensures that such households do not cut back on their essential use of water due to fears about the size of their bill. This year, some 31,200 households are benefiting from WaterSure and approximately one in three of those households live in the south-west. We are looking at whether WaterSure should offer a more generous cap, which could cap bills at the lower of the national average metered bill, or the company average metered bill, as recommended by Anna Walker. That would deliver substantially lower bills for those households that live in high-cost areas. We are also looking at whether it would be more fair to share the cost of WaterSure across customers in England, rather than fund WaterSure at the company-specific level. We will be inviting views on that when we publish our Walker consultation.

Some have asked why the Government have not made those changes already. We have been considering them alongside Ofwat's advice on tackling the problem of high water bills in the south-west. I received Ofwat's final advice only in January. I am sure that hon. Members agree with me that we must ensure that our proposals are workable, fair and have the support of interested parties. I am determined, as I have said frequently—I make no apologies for saying it again, although I wish that we had got there by now—to get this right.

Andrew George: On the various alternatives, I know that each one is not easy, as the Minister has made clear. He is clearly very seized of the challenges of coming to an equitable solution. Does he not agree with me that in having a solution that is simply within the company itself—a social tariff within the company boundaries—there would be inevitable unfairness, wherever the line was drawn? People on moderate incomes, who would have difficulty paying the bill, would be subsidising other people in the same company area, when they are already suffering from very high water bills.

Richard Benyon: I entirely accept what my hon. Friend has said, which is why I am sure that in the south-west it would be more popular for us to use the national average, which is one of the suggestions that we will be taking forward.

We have started to prepare our guidance on company social tariffs under section 44 of the Flood and Water Management Act 2010, which will enable companies to introduce social tariffs within their own areas to help households that would otherwise struggle to pay their bills in full. We hope to issue our guidance in the autumn, so that companies can consider it ahead of the 2012-13 financial year. Indeed, this afternoon the Department for Environment, Food and Rural Affairs is hosting a discussion with water companies and others to exchange views on what the guidance needs to cover. South West Water is participating in that discussion. I understand that it is very keen on the possibility of bringing forward a company social tariff. It has indicated to me that changes to how it levies sewerage charges could potentially raise about £7.5 million per annum to fund a company social tariff without adding a penny to household bills. That would potentially reduce the bills of 100,000 households in the south-west by about £75 per annum. I strongly encourage the company to look favourably at that possibility.

The hon. Member for Copeland asked when we are going to implement the Walker review. The Walker review identified a number of options. Implementing the review would involve implementing all those options, some of which were more-or-less dismissed by Anna Walker herself. She did, however, identify a number of options that would help to address the problems associated with high water bills in the south-west, in addition to proposed changes to WaterSure. Ofwat has been exploring those options, and we are currently considering the information that it has provided. Some options could potentially benefit all households in the south-west, and not just those on low incomes, which should address some of the comments that have been made today. Options include a one-off, or annual, adjustment funded by the Government, an annual adjustment funded by water customers nationally, a range of tariff options, rebalancing charges and the sale of surplus water. Decisions will be taken imminently, and we will set out our proposals for the south-west in our Walker consultation.

I recently received Ofwat's final recommendations. I can address the concerns raised by the hon. Member for Copeland and others by saying that we will be taking those forward very soon. I should also mention some of

[Richard Benyon]

the initiatives that South West Water is taking. Since 2007, its WaterCare scheme has helped households in debt by offering them a benefit and a water tariff check including, if appropriate, a meter. Metered customers also receive a free home water audit and simple low-tech water-saving devices. I have seen those schemes in operation, and they are successful in reducing the amount of water that households use, with minimal impact on their lives. In fact, in some cases there is an improvement, and I applaud any roll-out of such schemes.

South West Water recently announced that it is enhancing its current WaterCare scheme to WaterCare Plus. That will include home energy audits and advice on claiming grants. In addition, in the coming year, it is investing £1 million in its FreshStart programme to offer advice to customers with general debt problems. Both the WaterCare Plus and FreshStart schemes are fully funded by South West Water and do not impact on customer bills. The company will also be making free water-saving packs available to its customers, and it will be promoting them through the local media this month and next. I very much welcome and support those initiatives.

Metering offers an opportunity for some households to save money. Ofwat estimates that three in 10 single pensioners, working-age adults who live alone and, to a lesser degree, pensioner couples in the south-west are currently unmetered and could expect to see their bills go down, if they were metered. South West Water has already undertaken two advertising campaigns—in Plymouth, and in Exeter and Torbay—aimed at encouraging low-income unmetered households to look at whether a meter can reduce their bills. I believe that more can be done to build on that. For example, all unmetered households can investigate whether a meter can save them money by using the Consumer Council for Water's water meter calculator, which is available at the Consumer Council for Water's website.

May I reiterate to my hon. Friend the Member for Torbay, who secured the debate, and to other hon. Members for whom the issue is of great concern to them and their constituents, that the Government are very aware of the problem of high water charges in the south-west? Support is already available to help the vulnerable and low-income households with their bills. We will build on that, and our Walker consultation will point the way forward. I hope that hon. Members will bear with me for just a little while longer. I will, of course, be happy to meet any hon. Members with constituencies in the south-west to discuss this and to ensure that they have the understanding that they need to communicate our consultation, when we bring it out. I again commend my hon. Friend the Member for Torbay for bringing this matter to the Chamber today.

Mr David Amess (in the Chair): Order. If no other hon. Members want to contribute to this debate, the sitting is suspended until the Minister arrives for the next debate.

3.50 pm

Sitting suspended.

Animal Welfare

3.57 pm

George Eustice (Camborne and Redruth) (Con): It is a pleasure to serve under your chairmanship, Mr Amess, for this debate on animal welfare and trade negotiations.

The importance that we place on the welfare of other animal species on the planet is a measure of how civilised our society is. We all know that animals feel pain and fear. They have maternal instincts. Anyone who has ever had a dog knows that they can even feel emotions such as loneliness and jealousy. How we treat sentient animals that are raised in captivity for food really does matter and says something about us as a society.

Animal welfare is an area in which legislators should be prepared to take action. The truth is that the public care deeply about the welfare of animals, but the paradox is that in a modern, sophisticated society, people are often separated from farming practices and the slaughter of the animals that they consume. There is therefore a danger that the human conscience of consumers ends up being dissipated by the simple fact that, for the majority of people, farming and slaughter processes are, frankly, out of sight and out of mind. The only way to bridge the gap between the empathy that people might feel for animals and the information that they have about farming is by legislators exercising judgment and implementing laws that recognise the ethical dimension of how we produce our food.

There is another element to this. Farming is sometimes described as an industry, but I would say that it is not like any other industry—it is unique. It is not just about churning out a product for consumption at a given unit price. Farming is intrinsically linked to life itself and entwined with the environment, of which humans are just one part. If we take the special nature of farming for granted, we end up in trouble with animal health problems, disease and even human health problems. In recent decades, that is exactly what has happened. Consideration of animal welfare standards has been trumped by an apparently more important theory about free trade. That is wrong.

I am a Conservative, and no one believes in the concept of free trade more than I do, but even I can see that the concept of free trade is frankly a lower order consideration when compared with more fundamental issues such as animal welfare and the health of our environment. All too often in recent decades, moves to take a lead and to improve animal welfare standards at home end up being stopped in their tracks by the threat that we will merely export our industry to countries that have even lower welfare standards. That fear is entirely justified.

When the UK unilaterally banned sow stalls for pig production, our industry lost out to that in other countries where pigs were treated less well. The concern that our farmers will lose out as a result of improved welfare legislation means that the policy response has typically been to trim our ambitions and to stifle our consciences, because the theory of unfettered free trade has been considered to be a concept that is beyond challenge in any circumstances, and seen as a principle that trumps concerns such as animal welfare.

It is time to challenge that muddled thinking. A civilised society should have a system that encourages competition to raise animal welfare standards, not to lower them. We should not jeopardise our farming industry simply because of some arbitrary rules set down many years ago in the general agreement on tariffs and trade and since enforced by the World Trade Organisation. I shall return later to some of the relevant articles in GATT, because I shall argue that many of the provisions to recognise animal welfare standards in the world trade system already exist, but we have not been good enough at taking them up.

First, I shall speak about the coalition Government's position, and that of the Conservative party. Just a year ago, in February 2010, the Conservative party published a very good document, "A New Age of Agriculture", which was our agenda for British farming. The section on animal health and welfare contained an explicit commitment:

> "We will promote animal welfare at an international level and work towards the inclusion of production standards in WTO negotiations."

That could not be more unequivocal or clear, but I decided a couple of months ago to follow it up and to see what progress there had been in making the case to the WTO and internationally for the changes. I tabled a parliamentary question asking what discussions had taken place on this important issue. The response was:

> "None. The World Trade Organisation's...Sanitary and Phytosanitary Agreement only allows controls on food safety, plant and animal health grounds. While we are totally committed to improving animal welfare standards the situation is that unanimous agreement of the WTO's membership would be needed to change this to include production standards such as those relating to animal welfare. Such agreement is unlikely to be forthcoming because many of the WTO's members would regard such standards as likely to facilitate protectionism rather than trade."—[*Official Report*, 2 December 2010; Vol. 519, c. 957W.]

What I really want to know from the Minister is whether that represents a change in the Government's position, and if so did the coalition require that? I would find that surprising. The Conservative party has its differences with the Liberal Democrats, but I would have thought that Liberal Democrats cared about such issues as much as we do. I wonder whether it is simply that the Department has other priorities and has not yet managed to put the matter back on the agenda. I would like some clarity on that from the Minister.

Returning to GATT and the WTO, I want to say a little about how we can get from A to B—from wringing our hands about the problems of animal welfare and how we improve it within the WTO system to being able to implement and obtain agreement. I am conscious that it is easy for people to say, "Oh well, it's impossible to achieve change because of the difficulty of getting worldwide agreement." The WTO is undoubtedly reluctant to recognise what are described as process and production methods—PPMs—when dealing with world trade disputes. As I said earlier, farming is unique and unlike any other industry. That is why we must ensure that the WTO opens its eyes to those wider considerations and takes a look at issues such as animal welfare. The truth is that the provisions to do that already exist in GATT. All we need is the confidence to get on and implement them effectively.

First, article XX makes it absolutely clear that animal health is a legitimate factor to be considered in trade negotiations, but the European Union has been weak in arguing that. It states that

> "nothing in this Agreement shall be construed to prevent the adoption or enforcement by any contracting party of measures:
>
> (*a*) necessary to protect public morals;
>
> (*b*) necessary to protect human, animal or plant life or health".

We should be arguing that the health of an animal is intrinsically linked to its welfare, and that under article XX that should be a legitimate consideration that is factored into trade negotiations.

Secondly, article III is also relevant to the issue. It deals with regulations within countries and says that there should be equal treatment for like products. It states:

> "The products of the territory of any contracting party imported into the territory of any other contracting party shall be accorded treatment no less favourable than that accorded to like products of national origin".

The debate is about the definition of "like products". All too often in the recent past, people have said that a chicken is a chicken regardless of how it is produced. That is simply not the case. In the egg industry, it is recognised clearly that the method of production counts and that eggs are not all alike: all eggs sold in the UK must have a number from 1 to 4 to designate whether they were produced in cages, or are barn eggs, free range eggs or organic eggs.

The Minister will be aware that there is much discussion in the poultry industry about the danger that the new EU legislation being introduced to improve conditions for cage-reared birds may be implemented disproportionately. It may be implemented properly in the UK, but not elsewhere in countries such as Poland. That is causing a lot of concern in the poultry sector, and I understand that the Government may even be considering banning eggs from EU countries where they have not been produced to the new legally required minimum standard.

What an upside down world it is when we argue that it is okay to ban products that do not match our legal standards in the EU, where we supposedly have a single market and are all part of one happy family, but that adopting similar measures and a similar stance as countries outside the EU is considered to be a bridge too far and a step that simply cannot be taken, although the methods of production would be illegal in the UK. Clearly, something has gone wrong. When it comes to agriculture, we must be very clear that a "like" product must mean a product produced to the same standard of animal welfare. The principle that we have established in the egg industry, for example, should be applied to all meat products.

Before concluding, I want say a little about labelling and consumer choice. We have got ourselves into a bit of a muddle in some areas. We sometimes apply asymmetric legislation to farmers, and then tell them to compensate for those new laws by trying to command a premium in the market, to have better labelling and to try to obtain a higher price for their product. I think that is a cop-out because an important principle is involved. If a farmer makes the conscious choice to adopt farming practices such as organic farming, which go well beyond the legal minimum required, he does so voluntarily and having made a judgment that he will be able to command a premium in the market. However, if that farmer is

[George Eustice]

forced by law to improve animal welfare standards, the responsibility is on legislators to ensure that he is not exposed to unfair competition due to others using practices that would be illegal in this country. Otherwise, we simply export cruelty abroad, and no one wants that.

My second point about consumer demand is that, notwithstanding my earlier argument about farming practices and slaughterhouses being remote from modern, sophisticated societies, in recent years there has been a sharp increase in demand for ethically produced food. There has been a huge growth in demand for free range eggs and other organic foods. Some argue that that is the solution, and that it is evidence that we do not need to change the rules of the World Trade Organisation, but I think it proves something different. If consumers are willing to recognise that there is a difference between products based on how they are produced, why cannot legislators recognise the same? During one test case at the WTO, it was held that

"differing consumer tastes and habits"

was a legitimate and relevant factor in determining whether products were, or were not, alike. The fact that consumers distinguish between food products based on the system of production strengthens the case for the Government to argue under article III that we should recognise higher animal welfare standards. Food produced to such standards is not like food that has had a lower level of production.

To conclude, it is time to modernise the World Trade Organisation and the world trade system generally. We should give nation states the right to safeguard their markets against imports produced in third countries to less civilised standards. We should not be asking the World Trade Organisation how to interpret articles III and XX, we should be telling it. Some say that such an approach risks protectionism and would undermine the interests of developing countries, but that claim does not stand up to scrutiny. It does not follow that welfare standards are lower in developing countries. Indeed, some of the worst excesses of the industrialisation of agriculture and factory farming tend to be associated with developed—not developing—countries. In many cases, developing countries pursue less intensive and more traditional farming practices that are better for animal welfare. Quite often, production processes in those countries are already informally regulated by large retailers in the UK who often insist that food produced in developing countries is produced to the same welfare standards as in the UK.

In truth, the latest Doha round of the World Trade Organisation has been stalled for several years. Rather than leave those negotiations in limbo, bogged down and making no progress, why should we not be realists and reconcile ourselves to the fact that, for all the reasons that I have identified, farming—especially livestock farming—is a special industry and a special case? That would free up the position as far as negotiations on other products and industries are concerned.

Requiring all exported meat to be produced at least to the same standards of the country to which it is destined is less radical than it sounds, and it could have a huge impact on our culture and on attitudes towards animal welfare. I hope that the Minister will take some of those points on board.

4.14 pm

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): I congratulate my hon. Friend the Member for Camborne and Redruth (George Eustice) on securing this debate, and I am sorry that it is only a short Adjournment debate. The issues that he raises go to the heart of things that the Government and I hold dear. He started by reminding me of what I wrote in the Conservative document on agricultural policy about a year ago, and I do not resile from those objectives. I want to explain to the House what we are doing and how we are trying to take forward the objectives that we share. As part of the business plan for the Department for Environment, Food and Rural Affairs, we want to support and develop British farming, encourage sustainable food production and improve standards of animal welfare.

The previous Government's Animal Welfare Act 2006, which had cross-party support, makes it an offence to cause unnecessary suffering to any animal and contains a duty of care and the five freedoms and so on. The 1999 treaty of Amsterdam requires the Commission and member states to consider animals as sentient beings. I was a Member at that time and know that that was seen as a significant step forward, and it was later reinforced by the Lisbon treaty. Therefore, a large body of EU legislation improves animal welfare. As my hon. Friend said, we have experience in this country of taking unilateral action for the most noble of motives, such as improving the welfare of pigs. I am thinking of pig stalls and tethers, but that action had a catastrophic effect on the pig industry in this country, and there was probably no substantial gain in pig welfare.

My hon. Friend referred to a chicken being a chicken. I was going to relate that not to production in the way that he described, but to concern for animal welfare. It may salve our consciences to raise standards of animal welfare in this country and not care about the rest of the world, but if that means that we simply export those lower standards of animal welfare, it is not a case of a chicken being a chicken—the chicken in England has moved to being a chicken in another country kept at a much lower standard. There is a tremendous amount to be said for doing our best to raise standards across the piece, not just unilaterally, and that is important.

My hon. Friend referred to the directive on caged hens, and I do not want to be led at this stage to say what we might do in this country if the situation does not improve. We have strongly emphasised our views to the Commission, and we believe that the matter must be dealt with at European level. It is abundantly clear that a number of European countries will not have complied by the end of the year with the requirement to replace all their conventional battery cages. Sadly, the Commission seems to suffer from the illusion that that is still possible, but I assure my hon. Friend that the Secretary of State publicly stated in an Agriculture Council meeting a fortnight ago that we are not prepared to contemplate any extension of the time scale, that the measure must work and that the deadline should not be delayed.

My hon. Friend also referred to competitiveness, which is what we saw in the pig industry. Extra costs can be involved in higher welfare standards, and the European Commission—thankfully—now considers international competitiveness as part of the impact assessment of new policies.

My hon. Friend made a significant point about the World Trade Organisation. What I said in the written answer to which he referred is factually correct. As we see it, the WTO does not allow measures to be taken to ban imports on the grounds of animal welfare. It is, of course, wide open to any member of the WTO—or in our case, the EU—to impose a ban on whatever it likes. However, that would be done in the knowledge that the ban might be challenged and various trade measures taken to deal with that.

My hon. Friend referred to the fact that the Doha round is in a complete state of stagnation. My colleagues in the Foreign Office and the Department for Business, Innovation and Skills are anxious to get those negotiations back on track, but that will take time. That is the reason for the perhaps somewhat terse written answer that I gave my hon. Friend. While all eyes are on Doha, we cannot start changing the very framework of the WTO.

I shall now deal with the specifics about the WTO, the general agreement on tariffs and trade and various other global agreements to which my hon. Friend rightly referred. He referred to article XX of GATT and read out the relevant justifications: protecting public morals and protecting human, animal or plant life or health. Another justification is conserving exhaustible natural resources. Whether animal welfare could come under any of those headings is, frankly, untested, and I fully understand his desire that we should seek to test that.

It is worth making the point that certain measures have been taken internationally. In some cases, they have been contested. They do not relate directly to farmed animals, at least not in the UK. My hon. Friend will be aware of the seal trade ban—the ban on products from sealing. The European Commission banned them and used the justification of a distortion of trade, but I stress that that is being challenged under the GATT treaty. There is a serious risk that the WTO court will find against it.

The Commission also imposed a ban on importing cat and dog fur, which came mainly from China. That was also done on the basis of distortion of trade. It has not been challenged, although it may be in the future, so one could argue at the moment that we have got away with it. A longer-standing ban, which the previous Conservative Government pressed hard for back in 1991, is the EU prohibition on furs and pelts—primarily from Canada—harvested by using leg traps. That has never been challenged.

I am giving my hon. Friend some encouragement that some ways through this issue have been found, but those are not mainstream agricultural issues, as I am the first to recognise. I fully agree that, in an ideal world, we would get this issue considered at WTO level.

I want to pick up some other comments and then, if there is time, I might return to one or two other aspects of the WTO. My hon. Friend referred to the sanitary and phytosanitary rules, known as the SPS rules. To refer to an issue that is closer to home, Europe has banned the use of hormones in beef production on the basis that we believe that there are public health risks in not doing so. However, the United States has challenged us, and the matter is progressing through the judicial process at the moment.

Again, we have a problem there and we have to think through carefully what we do, but we can do other things in the immediate term. I do not think that even my hon. Friend would expect us to get the WTO rules changed very quickly, and I want to spend a few moments on that. The first point to impress on people is that improving animal welfare standards can benefit producers, because quite often they get higher productivity from animals if they are kept in better conditions, although some costs can be involved.

The second issue, to which my hon. Friend rightly referred, is the role of what are sometimes called private standards—the role of the retailers in demanding higher standards. That has been very successful across the world in raising production standards. There is some evidence, as we might expect, that when the cash figures go the wrong way, retailers turn round. This example is directly pertinent to a point that my hon. Friend made. I was very concerned to hear only last week that one of our major retailers that until now has been sourcing all its organic pig meat from the UK—that meat is certified to Soil Association standards—has now decided to stop doing that and to source organic pig meat from abroad. That meat is up to European organic standards, but they are not as high as the Soil Association ones. If what I have said proves to be correct, it is a pretty shameful approach and does not show much support for our own industry.

My hon. Friend made the point, which I have to repeat, that many people and organisations see welfare restrictions as some sort of ban on trade. The same can apply to the private standards to which I referred. The EU made a commitment to support international initiatives to raise awareness and to create a consensus on animal welfare through its action plan for the period from 2006 to 2010, and we want that to be continued through the strategy for the period from 2011 to 2015.

It is fair to say that animal welfare has not been a major priority for many Governments in recent years, either because they have believed that it is a trade issue and market forces will work, as my hon. Friend described, or perhaps because the alleviation of human poverty has been the predominant concern. However, we are making progress. The EU has recognised that the first step in getting third countries fully engaged in the development of animal welfare standards is to create a wider understanding and awareness of animal welfare, including among Government officials and the exporters. A conference on global trade and animal welfare was organised by the Commission in 2009.

We also have to recognise the OIE—the World Organisation for Animal Health—with which the Commission is working closely. The OIE was created a long time ago, in 1924, and has 178 member countries. However, it began getting involved in animal welfare only in 2001. By the end of 2004, it had developed guiding principles for animal welfare, and it held a conference in 2008 with more than 400 participants. The most important outcome of the conference was the identification of key needs and the tools necessary to help OIE member states to strengthen their capacities, including in relation to good governance and relevant infrastructure. The world assembly of OIE delegates has adopted seven animal welfare standards. Therefore, there is clear evidence that most of the world is moving in the right direction. I hope that my hon. Friend will take a lot of comfort from that. On-farm animal welfare

[Mr James Paice]

issues are now beginning to be addressed by the OIE, but that will take a bit longer. I cannot get away from that.

None of that prevents higher standards through bilateral agreements. The EU is now emphasising that. Since 2004, we have addressed animal welfare specifically in a number of trade agreements with Canada, South Korea, Colombia, Peru and central American countries. I understand that it is also part of the negotiations with the Mercosur countries that are taking place at present. That work is clearly a step in the right direction.

My Department is working hard to provide training in welfare science and legislation to the veterinary services and non-governmental organisations in a number of countries. We have made a significant contribution to the EU Better Training for Safer Food programme and on welfare-during-transport training for veterinarians. Of course, we also continue to invest in research, because that is hugely important.

My hon. Friend and I are in exactly the same place on this issue. There may be a slight variation in nuance on precisely how we go forward. However, the Government remain determined to do whatever we can to increase animal welfare standards, not just at home but across the world, and to ensure that our producers are not unfairly discriminated against by imports produced to lower standards. I conclude by reminding my hon. Friend that we are also committed, in the document to which he referred, to ensuring that Government money is not spent on buying food produced to lower standards than pertain in this country, and that policy commitment will come to fruition in the next few weeks.

Health and Safety (Construction Industry)

4.29 pm

Jim Sheridan (Paisley and Renfrewshire North) (Lab): It is a pleasure, Mr Amess, to serve under your chairmanship. May I express my sincere appreciation for being given time to debate this important subject?

I wish first to express my thanks and appreciation for the helpful information and advice given to me while researching for the debate by a number of organisations—none more so than the Union of Construction, Allied Trades and Technicians, the National House-Building Council, the National Federation of Roofing Contractors and the TUC.

As the construction industry hopefully recovers, the number of fatalities and serious injuries is likely to increase—an increase in fatalities followed previous recoveries in the construction industry. The rise was the result of good practices being lost when companies were forced to lay off staff. Due to inadequate training as the industry recovers, new inexperienced companies and workers will enter the industry, and their lack of safety knowledge will often prove fatal.

The cutting of corners to get one job finished quickly in order to start the next is a major killer. Another is workers working excessive hours. Working long hours leads to tiredness, which leads to mistakes. Indeed, the Prime Minister recently said on television that he does not work long hours, because it leads to bad decisions, so we have at least one supporter.

The most common cause of death is falls. In 2009-10, 25 workers were killed through falls, a 19% increase in deaths over the previous year. The number of people being killed as a result of being hit by a moving vehicle slightly increased in 2009-10.

As part of the comprehensive spending review, the Health and Safety Executive's budget will be cut by at least 35% by 2015. It is impossible to make such large cuts without affecting front-line services. It has already been announced that the contracts of the 20-plus temporary construction inspectors, whose contracts run out later this year, will not be replaced.

As well as the loss of temporary inspectors, there will be a reduction in the number of front-line inspectors. That is directly contrary to the Donaghy report, which recommended an increase in the number of inspectors. Cuts in the number of inspectors will inevitably lead to a reduction in inspections, enforcement activity, prohibition notices, prosecutions and convictions.

Mr Andrew Smith (Oxford East) (Lab): I am grateful to my hon. Friend for giving way. I congratulate him on securing this tremendously important debate and on the research that he has done for it. On the theme of the impact of the cut in the HSE grant, has he heard of the letter that was leaked to the BBC yesterday, which said that the Health and Safety Executive was proposing to reduce unannounced workplace inspections by a third? That would be disastrous if it affected the construction industry, as workers there are six times more likely to lose their lives than those in other industries.

Jim Sheridan: I have not seen the letter, but I have heard of it. My right hon. Friend is correct that it would be disastrous, not only for the HSE but for workers in the construction industry. We should watch this space and see what happens.

Recent research shows that the level of enforcement activity and the number of prosecutions being undertaken by the HSE is at a record low. Due to a lack of resources, the HSE can investigate only one in every 10 accidents. Cuts to the HSE's budget are likely to increase the under-reporting of accidents under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995, which are otherwise known as RIDDOR.

Research by the university of Liverpool shows that only 32% of injuries involving employees were reported under RIDDOR—for the self-employed, the percentage was only 12%. The proposals under consultation will weaken those regulations, which were originally proposed by the Young review. That will increase under-reporting, and, as a result, poor health and safety practices will not be picked up early, which could result in further fatalities.

There have been several notable deaths recently. The circumstances are indicative of the industry. On Friday 21 January, four construction workers were killed in Great Yarmouth. The men were working on foundations when adjacent steelwork fell on them. It was the worst accident for more than a decade, given how many workers were killed. Despite that, there was little or no mention of the accident in the national papers. In October 2010, immediately following the announcement that the HSE could lose 35% of its budget, seven construction workers were killed. The deaths occurred all around the country.

Mr Stephen Hepburn (Jarrow) (Lab): I congratulate my hon. Friend on securing this important debate. He speaks about the incidence of deaths. Does he not agree that the figures will inevitably increase with the reduction in the Health and Safety Executive budget? The story that is doing the rounds at present—we should be pressing the Minister on this—is that unannounced inspections at construction sites will be scrapped altogether. There were 42 deaths on building sites last year. Does my hon. Friend agree that that figure will inevitably increase?

Jim Sheridan: My hon. Friend is right. It is obvious that the cuts will result in increased fatalities. I am sure that the Minister will respond to this, but it is important to remember that even though we are trying to reduce the deficit—if, indeed, it is reduced—such people will not get their lives back, and they will not get their limbs back. It is important that we try to keep focused on health and safety.

We warmly welcomed the publication in July 2009 of Rita Donaghy's report on construction fatalities. The then Government commissioned that independent report following strong lobbying by a number of trade unions and other agencies. It was the most significant and far-reaching report into construction safety for well over a decade. The 96-page report was entitled "One Death is too Many: Inquiry into the Underlying Causes of Construction Fatal Accidents". It made a number of major recommendations, two of which were the extension of the Gangmasters (Licensing) Act 2004 to cover the construction industry, and the introduction of statutory directors' duties. The extension of the 2004 Act was recommended in recognition of the fact that

> "The further down the subcontracting chain one goes the less secure the worker and the less satisfied with the management of health and safety on site. Society should accept that there needs to be a standard below which no construction worker should have to work."

We have long campaigned for the introduction of statutory directors' duties. It is virtually impossible to hold individual directors to account if a worker is killed at work. The report states:

> "As with most advances in society, e.g. seat belts in cars, drink driving, there comes a time when good practice has to become a legal requirement."

Rita Donaghy explicitly said:

> "I recommend that there should be positive duties on directors to ensure good health and safety management through a framework of planning, delivering, monitoring and reviewing."

The introduction of directors' duties would mean that if a worker is killed and it is discovered that a company disregarded health and safety legislation, there is the possibility of an individual director receiving a custodial sentence.

The construction skills certification scheme was set up in 1995 by the construction industry to maintain a record of construction site workers who achieve, or can demonstrate that they have already attained, an agreed level of competence. The CSCS card issued to successful applicants offers a vital means by which cardholders can record and provide proof of their skills and occupational competence. Cardholders are also required to take a health and safety test relevant to their occupation. The aim of the scheme is to help the construction industry reduce accidents and improve competency and safety for individual site workers.

There are currently more than 1.6 million cardholders, and the CSCS works with 10 affiliated organisations to cover more than 350 construction-related occupations. The scheme is now widely used on the majority of construction sites, and all major contractors and homebuilders—

Ian Lavery (Wansbeck) (Lab): I congratulate my hon. Friend on securing this debate. Does he not agree that there is a need to enshrine the CSCS in legislation? Such a move would surely have a huge impact on the safety and health of people working in the construction and building industries. If legislation were passed and the scheme were rolled out—it has been rolled out for 1.6 million people at this point in time—throughout the industry, does he not think that that would have a huge impact on health and safety?

Jim Sheridan: My hon. Friend is absolutely right. As I understand it, there will not be any major financial impact if this card is introduced. Perhaps the Minister can give us an insight into his thinking on the CSCS when he makes his reply.

All the major contractors and homebuilders insist on those cards, as the cards demonstrate their commitment to safe and efficient working for construction workers and clients. CSCS cards provide additional security and peace of mind, as a fully carded work force is safer and better trained. Government should lead by example and require the use of CSCS on all public sector sites. Indeed, they already require the use of these cards or their equivalent on public sector sites as set out in the Office of Government Commerce common minimum standards for the procurement of built environments in the public sector.

[Jim Sheridan]

The CMS recommendations state:

> "Clients are to include a contract clause requiring that all members of their supply teams who are workers on or regular visitors to a construction site are registered on the Construction Skills Certification Scheme (CSCS) or are able to prove competency in some other appropriate way."

The CSCS welcomed these recommendations, which were accepted by the previous Administration in their response to the report. The CSCS would welcome clarification from the Government on which of the Donaghy recommendations they intend to take forward.

In a parliamentary written answer, published in December 2010, the Minister of State, Department for Work and Pensions, my right hon. Friend the Member for Epsom and Ewell (Chris Grayling), said that the Government will

> "therefore progress those of the Donaghy recommendations accepted by the previous Administration which we consider are supported by the available evidence."—[*Official Report*, 1 December 2010; Vol. 519, c. 867W.]

In his reply, will the Minister commit to raise awareness of the need to specify CSCS in all public sector contracts? Will he say what progress has been made on the review of the OGC common minimum standards and whether the requirement to specify the use of CSCS will be retained and promoted? Which recommendations in the Donaghy report do the Government intend to take forward, and what action do they intend to take to monitor the eligibility of migrant workers to work, and their qualifications and training?

Let me touch now on the issue of blacklisting in the construction industry, which also has a major health and safety perspective. Safety representatives have been targeted by their employers, and many have had to leave the industry as they were unable to find work. Despite being the most dangerous industry in Britain, construction has the lowest number of independent safety representatives, and all the major contractors have been involved in blacklisting.

In recent years, there has been a huge increase in employment agencies and gangmasters operating in the construction industry. That has further casualised and fragmented the construction industry, which has implications for safety in a number of ways. Often there is little effective screening of workers, and inexperienced workers are placed on construction sites without the appropriate training. The workers are highly vulnerable, so they are unlikely to complain about dangerous practices. Agencies are increasingly forcing workers to pay for their own personal protective equipment, which is illegal.

Agencies often flout the working time limit of 48 hours a week. With workers undertaking excessive hours, accidents are more likely to occur.

Ian Lavery: Is my hon. Friend aware that there is a huge problem in the construction industry with regard to safety wear? In a meeting last week with the Health and Safety Executive, I heard about the huge problems with fake safety wear—helmets, boots and protective clothing. If that continues, we will see more problems within the industry. Does he agree that the Government should do everything in their power to uncover the source of this crooked gear and get rid of it to ensure that people in the industry are safe?

Jim Sheridan: My hon. Friend is right. If workers are placed in the position in which they have to choose between buying their own safety equipment or feeding their families, one knows which option they will take. The Donaghy report made the clear link between agency labour and construction safety.

Finally, let me touch on the false self-employment that is going on in the construction industry. Well in excess of 50% of the industry are falsely self-employed. The falsely self-employed do not have employment rights, so they can be sacked at a moment's notice. They are unlikely to raise safety concerns or refuse to undertake tasks that they consider to be dangerous. Sites which use false self-employed labour are unlikely to have independent safety representatives, as no one will be willing to undertake this role in the fear of being targeted, victimised and sacked. Research has found that independent safety representatives can help to reduce accident rates by up to 30%.

In conclusion, I recommend the leaflet that was published by the all-party parliamentary group on occupational safety and health. It sets out our concerns, if those cuts were to go ahead. I certainly hope the Minister will read this document, so that we can do what we can to protect those in the workplace. Fundamentally, I believe that when someone leaves for work in the morning, they have the right to return home safe.

4.48 pm

The Minister of State, Department for Work and Pensions (Steve Webb): I congratulate the hon. Member for Paisley and Renfrewshire North (Jim Sheridan) on securing the debate, on all the work that he does as chair of the all party parliamentary group and on the well-informed and measured way in which he has raised these issues. As he rightly said, one death is too many, which is the title of the Donaghy report. There were 42 fatalities in 2009-10 and that is not something to be proud of. I should just say that the Minister of State, Department for Work and Pensions, my right hon. Friend the Member for Epsom and Ewell (Chris Grayling), who takes the lead on these matters, is on the Front Bench in the Commons responding to the Welfare Reform Bill and so I am standing in for him today. I know that he welcomes the fact that over the past decade there has been a significant improvement in the number of fatalities in the construction sector.

Let me give a feel of the progress that has been made. The reason I mention this is that if we can see that progress has been made over a decade—although that until we get to zero deaths we should not rest, and even then we should not rest—the challenge for us is to see what delivered the progress and whether we can continue doing more of those things or whether fresh duties, fresh structures and fresh obligations are the best way forward. I want, therefore, to give some figures for the record. Ten years ago, in 2000-01, there were 105 fatalities, compared with 42 last year. There are also figures relative to the scale of the industry, which obviously fluctuates. Measured relative to every 1,000 workers, in every year except one of the last 10, the rate of fatalities has fallen. The Health and Safety Executive, the trade unions and the industry deserve some credit for the improvements that have been made.

The hon. Member for Paisley and Renfrewshire North quite properly asked, "But what of the future?" He speculated that fatalities would rise. I know that the

HSE will be working very hard, in partnership with industry, the trade unions and the Government, to ensure that that does not happen. However, although he rightly says that there have been construction industry inspectors at the HSE on temporary contracts, they were always intended to be on temporary contracts. This Government have not decided to make them temporary. They were always fixed-term appointments that were due to end this summer. Nevertheless, even if we exclude those inspectors, as at January 2011 we have more HSE construction division inspectors in post than ever before.

I just want to give some idea of the sorts of people that I am talking about. Currently, 150 operational inspectors visit sites on a day-to-day basis—up by nearly 25 from three years ago. There are 24 line managers who also conduct inspections. In addition, there are 16 inspectors in construction sector and policy; 20 specialist inspectors who provide expert input on the causes of accidents and advice on technical issues; and 27 visiting officers in the construction sector. As things stand, therefore, there is a very significant commitment by the HSE to the construction sector.

As with all aspects of Government, budget cuts have been required of the HSE, but I stress that the HSE will inevitably continue to concentrate its work on the highest-risk sectors—

Ian Lavery: Will the Minister give way?

Steve Webb: I hope that the hon. Gentleman will allow me to continue for a moment. As I was saying, the HSE will continue to concentrate its work on the highest-risk sectors, such as construction.

I also want to respond to the specific point made by the hon. Member for Jarrow (Mr Hepburn) in his intervention. He suggested that there might be an end to unannounced inspections in the construction sector. I am happy to confirm on the record that there is no intention to stop unannounced inspections in construction and indeed the HSE will be paying greater attention to smaller sites, where we fully recognise that there are still poorer standards. Indeed, it is on those sites that the majority of fatal accidents happen.

Mr Andrew Smith: Will the Minister give way?

Steve Webb: If the hon. Member for Paisley and Renfrewshire North is happy for me to give way, I will give way, but I have only eight minutes left to respond to his speech. I am in his hands. If he is happy for me to give way, I will give way.

Jim Sheridan *indicated assent.*

Steve Webb: I will give way.

Mr Andrew Smith: I am grateful. I welcome the assurance from the Minister. Can he assure us that there will not be a reduction in the number of unannounced inspections?

Steve Webb: Obviously, the HSE will introduce its proposals for responding to the budget changes. Indeed, the Government will announce our health and safety strategy relatively shortly, in response to the Young review and other changes. Details about all those things will be made clear to the House in due course. However, the key thing is that I have no doubt—in preparation for this debate, I have obviously had helpful discussions with the HSE—about the HSE's commitment to an ongoing and high level of effective intervention in the construction industry.

One feature of the construction industry is that it is clearly different from other industries. At its best, it is capable of great things and great successes, and it has a great deal of expertise in controlling health and safety risks to workers. Of course, even many of those temporary inspectors I mentioned, who soon will not be working for the HSE, will go back into the industry and take their expertise with them.

I said that there were just over 100 fatalities a decade ago. Two decades ago, 154 construction workers were killed. Progress, therefore, has been made—fairly considerable progress over a period of 20 years or more. The hon. Member for Paisley and Renfrewshire North mentioned the Donaghy inquiry and the issue of the Gangmasters Licensing Authority. I know that he has been involved with previous private Member's legislation on the GLA and I also know that there is a private Member's Bill on the matter before the House at the moment.

Jim Sheridan: The Minister has just announced figures about fatalities. Do they include people who lost their lives as a result of occupational or industrial disease, such as mesothelioma?

Steve Webb: The figures that I gave—for example, the figure of 154 fatalities for two decades ago—were for construction workers who were killed in accidents at work. I entirely take the hon. Gentleman's point that issues that emerge during refurbishment work, for example with asbestos, silica and so on, are also very important. Indeed, I will try to reassure him on that particular point, as he raised it. The HSE is undertaking work on refurbishment and even as we speak that work is ongoing. The national refurbishment inspection initiative targets small refurbishment sites where a disproportionate number of serious and fatal accidents occur. The current initiative has been run periodically for several years and it is going on now between 14 February and 11 March. Although full data are not yet available, to date nearly 1,200 sites have been visited, involving more than 1,400 contractors and, alarmingly, breaches of health and safety legislation were found to be so significant that enforcement notices were required at 254 of those 1,200 sites. I join all hon. Members who have contributed to the debate in not being remotely complacent about where we are now on health and safety in construction.

The challenge is to ask what effective regulation would look like. I fully respect the argument that says, "Bring the Gangmasters Licensing Authority supervision into construction". I can see why that argument is made. My reservation is that the health and safety rights of people in the construction industry are there already. The hon. Member for Paisley and Renfrewshire North mentioned bogus self-employment. Whether somebody is self-employed or employed, they have health and safety rights. Regarding some of the points that the hon. Gentleman made about those in bogus self-employment, there are obviously issues about tax. However,

[Steve Webb]

there is not much evidence—if any—that construction fatalities are higher among those who are notionally classified as self-employed as opposed to those who are employed.

The Gangmasters Licensing Authority is clearly a generalist authority that looks at issues such as minimum wage compliance, tax and national insurance, as well as health and safety. The danger is that if we bring construction within the scope of that authority we might get, at one level, duplication and potentially we might get a sort of box-ticking mentality, whereby people think, "We've got to satisfy this regulator and that regulator". There could be regulatory confusion if we have different bodies trying to enforce health and safety.

I also want to give an idea of the scale of what might be required if we bring construction within the scope of the GLA. At the moment, the GLA licenses 1,200 gangmasters. If the licensing scheme was extended to cover the construction industry comprehensively, we could be talking about 200,000 licences. The cost of regulating the 1,200 licences in the sectors covered by the GLA already—agriculture, horticulture, shellfish gathering and associated industries—is just over £4 million a year, of which the taxpayer pays about £3 million. Clearly, there would be economies of scale if the GLA's licensing scheme was extended to cover the construction industry, but simply pro rata-ing those figures to the full size of the construction industry would mean licensing costs of £600 million.

Jim Sheridan *rose—*

Steve Webb: I will give way shortly. Of that £600 million, the taxpayer would pay £400 million. On a pro rata basis, we would potentially need 8,000 new inspectors. I do not claim to be an authority on the subject, but I find it difficult to imagine that there are 8,000 spare inspectors out there to be had, although people could be trained to become inspectors. In addition, creating this type of parallel regulatory structure alongside the HSE's work is problematic. If there was £400 million to be spent—or indeed anything like it—channelling it through what is quite an effective existing regulator, enabling it to do more, might be a better idea.

Jim Sheridan: The Minister has referred to £3 million of taxpayers' money being used to pay the licensing costs of the GLA. However, does he take into account the fact that gangmasters are then registered and legalised, and migrant workers are registered and legalised and they then pay tax and national insurance, which they would not be paying otherwise, so there is a net benefit to the Treasury?

Steve Webb: The figures that I am referring to are the gross running costs of the GLA and the revenue from licences. I am not sure about the potential payback of such a scheme in the construction sector. One thing to consider is that we would end up licensing in practice the entire sector—as it were, the good guys and the bad guys—and there would be a lot of dead weight in areas where there already was compliance with tax and national insurance legislation.

The hon. Gentleman also asked about the role of the construction skills certificate scheme. That is certainly a well regarded industry-run scheme and a big one, although there are many similar schemes across the industry, as I am sure he knows better than I do. My understanding is that the CSCS or an equivalent is already required under Government contracts, which I very much welcome. However, when it comes to legislating for the CSCS, for example, one issue that arises is whether we should choose that particular scheme or others. On balance, the health and safety at work and construction regulations already require workers to be trained for health and safety.

To conclude, I take the issues that the hon. Gentleman has raised very seriously. We want to make more progress on them and further announcements will be made by the Government in due course, but we will continue to take construction industry safety and fatalities seriously, as the hon. Gentleman quite properly says that we should.

4.59 pm

Sitting adjourned without Question put (Standing Order No. 10(11)).

Westminster Hall

Thursday 10 March 2011

[Jim Sheridan *in the Chair*]

Housing Benefit

[Relevant documents: Second Report from the Work and Pensions Committee, Session 2010-11, HC 469, and the Government response, HC 845.]

Motion made, and Question proposed, That the sitting be now adjourned.—*(Mr Goodwill.)*

2.30 pm

Dame Anne Begg (Aberdeen South) (Lab): On behalf of the Work and Pensions Committee, it is a pleasure to open the first debate that we have held in Westminster Hall. We have published two full reports up to this point in time. One is "Youth Unemployment and the Future Jobs Fund" and the other is the report that we are discussing today, "Changes to Housing Benefit announced in the June 2010 Budget".

We had hoped that the Government response would have been with us a bit earlier, but it arrived a bit close to the wire. We were able to agree it in our Committee meeting yesterday morning, just after we had grilled the Minister, who is here today, on his pensions policy and thrown him out. The members of the Committee now have copies of the Government response. Obviously, part of the reason for the debate today is to discuss the report in general and the Government response.

I will give a bit of history about the genesis of the report that we are debating today. We decided that it was important to produce the report after the announcement about housing benefit in the Budget last June. However, as soon as we announced the inquiry and published our terms of reference, the debate about housing benefit and local housing allowance moved on. So this report is quite narrow, in that it looks almost exclusively at the LHA and the situation in the private rented sector. That is because at the time that the report was produced, it had not been recognised that there might be implications for the public rented sector, and particularly for local councils, due to the changes to housing benefit. That became clearer as we carried out our inquiry, but by that time we were already tied in to the terms of reference that we had sought evidence on, and we were not in a position to change those terms of reference. However, I am fairly sure that the debate about housing benefit and the LHA will continue, and hopefully this afternoon we can tease out some of the additional issues that we were unable to cover in the report.

We need to begin with the items in the Government response that we welcome. We made a number of recommendations in our report about the need for robust data and robust independent research. That was because when we took evidence, we found that charities working in the homeless sector often said that the changes to housing benefit would lead to mass homelessness and were unlikely to lead to private landlords reducing their rent, whereas the Government said, "No, they won't. There might be a bit of homelessness, but not really that much, and yes, the whole point of this policy is to force private landlords to reduce their rent." Until the policy is in place and has been working, it is impossible to test which of those two diametrically opposed views is the right one. That is why we are pleased that the Government have recognised the need for good, solid, independent research, because that will be the only way in which we can tell whether the policy has had the intended consequences and ensure that it does what it says on the tin.

I do not know whether this was a success for our Select Committee, but many people were delighted that the Government decided to drop the 10% sanction on housing benefit for people who have been on jobseeker's allowance for more than a year. That proposal caused a huge amount of angst among a large number of the people from whom we took evidence, and the issue was raised on the Floor of the House and in debates in Westminster Hall. It seemed grossly unfair, and it certainly would not have done what the Government alleged it would do, which was to act as a work incentive—if anything, it would have acted as a work disincentive.

That proposal woke up the public rented sector—particularly the housing associations—to the full implications of some of the proposals that the Government were coming up with, because a large number of housing association residents are on JSA. The housing associations faced the prospect of losing 10% of their income at a stroke as their residents were sanctioned. The residents might have done everything that the Government asked them but have been unable to get a job, because the labour market in their area was such that they could not find one, yet they would still lose 10% of their housing benefit. It seemed strange to us that housing benefit would be sanctioned for actions in relation to a completely different benefit. I am pleased that the Government have seen fit to drop that proposal, which is incredibly important.

Much of the debate about housing benefit has focused on the caps or on the situation in London, which has helped to obscure what could happen elsewhere in the country, and some of the knock-on effects for the public rented sector. That was because it was much easier for the tabloid newspapers to latch on to stories about "£1,000-a-week housing benefit claims", when in fact such claims were a small minority of all claims. It is often the case that it is not good practice to introduce policy based on the few rogue examples rather than on the position that most people find themselves in.

Despite that, and despite the fact that the LHA was increasing and in general covered rents, there were already shortfalls for some residents. Many claimants were already making up the shortfall between what they qualified for with regard to what they could get in the broad rental market area and what their actual rent was. As part of our inquiry, we visited a citizens advice bureau where we met an elderly gentleman who was already having to supplement his housing benefit to the tune of about 10% of his very limited pension. He was a prime example of someone who had found it very difficult to get a tenancy in the private rented sector, because as soon as landlords heard that he was on housing benefit they turned him away. "Lying" might not be quite the right word to use, but he "failed to inform" his landlord that he was actually an LHA recipient when he signed the lease on the accommodation

[Dame Anne Begg]

that he was in at that time. He knows that he probably would not have been able to get that lease if he had told his landlord that he was an LHA recipient.

That is one likely problem with the Government's approach. The assumption is that people will be able to move and that they will be able to find accommodation within the bands that they can claim for, but that is not necessarily the case. Although the Government response says that landlords will reduce rents in many areas, it is definitely the case that in large numbers of areas—my area, for example—demand already outstrips supply, and landlords will quite easily be able to get tenants who are not dependent on housing benefit to live in their properties. Therefore, the choices of those who are dependent on housing benefit will be squeezed and become ever narrower. They do not have the choice to go into the public rented sector, because there is already a shortage of supply there.

The Government's response is a bit complacent in saying that landlords will reduce their rents. Even if they do so in one or two areas, I suspect that in the majority of the UK they will not, and it will be very difficult for people to find anything to rent. In places where there is very little choice anyway, such as rural areas, choice will be further narrowed, and it might be impossible for people who are on housing benefit or local housing allowance to get anything with a rental price anywhere near what they can claim in benefit.

Glenda Jackson (Hampstead and Kilburn) (Lab): I have received a briefing from the Residential Landlords Association on that precise point. It says that in relation to a survey it conducted:

> "71% of respondents said that they would not decrease their rents. A recent study for the British Property Federation put this figure at 88%. Although the Government's whole case is based on the assumption that this will happen our survey evidence (along with that carried out by the Local Government Association in London) contradicts this."

Dame Anne Begg: That is why it is important that the research is carried out. In his evidence to the Committee, the Minister, the noble Lord Freud, said:

> "They would say that, wouldn't they?"

It is not until the proposal is market-tested that we will know whether what we are talking about will be the case.

Kate Green (Stretford and Urmston) (Lab): Does my hon. Friend agree that we can already market-test to some degree? In my borough of Trafford, for example, we already know that two-bedroom properties in the private rented sector are heavily oversubscribed. The market is unlikely to reduce rents when it can readily let to people who are not in receipt of local housing allowance.

Dame Anne Begg: Indeed, and there is the same situation in my constituency, where there is a housing shortage. Even people who work in the oil industry—a fluid population that comes temporarily to work in the offshore sector—have great difficulty in finding housing. There are jobs in certain areas and people flock to them, but those people often cannot take up the employment, because they cannot find accommodation. Those people are in the private rented sector and can afford fairly high rents, and their situation probably has more to do with rent inflation in Aberdeen than with anything that has happened as a result of local housing allowance. The Government have sometimes given the existence of the local housing allowance as a reason for rent inflation in the private rented sector, but in certain areas it has nothing to do with the allowance, simply because there are not enough LHA claimants to have that kind of market effect.

One aspect of the housing benefit reforms that we congratulated the Government on is the fact that disabled people who need a non-familial person to stay overnight will be able to claim housing benefit to cover the extra room required for that carer, which is, in itself, a good measure. It was a recommendation made by the Select Committee in the previous Parliament, and I have to say that the then Labour Government did not agree to implement it. However—there is often an "however" in all this—as a Committee we realised that even if the person looking after a disabled person is a relative who does not need space in the house, there might, for example, be a need for more space for wheelchairs, or an extra room for dialysis machinery. Disabled people need large houses, for which they would not qualify on the basis of their family size, for all sorts of reasons.

I was disappointed by the Government's response on that issue:

> "Housing Benefit is not designed to meet every individual circumstance and it would be complex to introduce different rules for the situations such as those described by the Committee".

That is poor, because council tax benefit and the tax itself can take account of people who need extra room. If someone can prove that they are in a bigger house than they would otherwise occupy because they need extra room for a wheelchair, the local authority places the house in a lower council tax band. That is quite simple and straightforward, and it is not particularly difficult. I am disappointed that the Government have not recognised that such extra space might be imperative for disabled people. It is doubly imperative that the Government recognise that, because the proposals also introduce an under-occupancy rule, of which disabled people could fall foul simply because they occupy a house that is bigger than the one that they would need on the basis of the number of people in their family.

The Government also completely miss the point of the Committee's recommendations regarding the possibility that someone with a disability who has had their house adapted has to move because they do not qualify for a house of that size, or because the house is too expensive. Their house, whether in the private rented or social rented sector, will no longer be covered by housing benefit. The Government's response is, "Well, we've got the nine-month transitional protection," or "There might be something in the discretionary housing payment that can be used." The Government's response suggests that disabled people will be able to move just like everyone else. Well, the answer is, "No they will not." It is incredibly difficult, as it is, to get accommodation; it is almost impossible to get accommodation that is already adapted; and it is very difficult to get accommodation that can easily be adapted. For someone who has already spent a lot of money—out of their own pocket or through facilities grants—not only on making their home accessible, but on adapting the bathroom and kitchen and doing all the other things that need to be done, the Government are saying that it will somehow be okay, because if housing benefit is changed such people will be able to move and replicate those facilities somewhere else, but only in a smaller house or a cheaper area. That is not possible, and a lot of disabled people will be distressed by what I see as complacency by the Government.

I know that the Government say that all that will be covered by the discretionary housing payment. In fact, their response to our report seems to say that the payment will be a panacea. I came across mentions of the payment so often that I counted them, and it appears 20 times in a relatively short document. The discretionary housing payment will be the solution 20 times—it is mentioned three times on page 11 alone. So, £190 million is going to go an awfully long way and do an awful lot, and I am fairly sure that the Minister himself recognises that it is not elastic and will not cover all that the response says that it will.

Kate Green: I, too, noted the many references to the discretionary housing payment as the solution to the hardship and risk of homelessness identified in our report. Does my hon. Friend agree that it is not only about whether that payment can possibly be adequate, which looks unlikely, but about the fact that it is discretionary? That introduces further uncertainty for families and households about the stability of their home.

Dame Anne Begg: That is the problem. As well as the discretionary element, council tax benefit will be devolved to local authorities, although only 90% of it, and that as well will be discretionary to the local authority. The discretionary element must cover not only older people but disabled people, young people, large families and multi-generational families, perhaps from ethnic minorities, yet it will be up to the local authority to decide who receives it. I suspect that most local authorities will have a pecking order of groups that they think are worthy of support, leaving the groups that they do not think are worthy of support at the bottom of the heap.

Glenda Jackson: There is another dimension to the problem that my local authority has raised with me. This is a period in which local authorities are strapped for cash and reducing staff, yet the changes will place greater burdens on them, which might extend the length of time required to make the discretionary decisions, making the people waiting for those decisions even more anxious and concerned.

Dame Anne Begg: Governments and local authorities are often accused of making people suffer a postcode lottery. The fact that yet another matter will be open to the discretion of local authorities with tight budgets could create a strong postcode lottery dependent on area, not just in different parts of the country but in neighbouring areas. That will lead to uncertainty among claimants, who will not know when they sign a lease whether they will receive discretionary housing payment or not. There will be new claimants, and those sitting in houses in the hope of receiving discretionary housing benefit might have months of worry—perhaps will have even started to look for other housing—before knowing whether they will be covered by their council's discretion and receive the money.

I suspect that in many areas, because the money will not go far enough, the discretionary housing payment might cover some but not all of the gap between people's rent and their housing benefit and local housing allowance, so the anxiety about whether they will have to move will continue even after they are awarded the discretionary housing payment.

The other panaceas that the Government seem to think will solve a lot are the nine months' transitional protection, which was mentioned only four times in their response rather than 20, and the independent review, which is mentioned throughout the document, although I did not count how many times. Phrases such as "the independent review will be comprehensive" and "it will cover" crop up throughout the report, as though we will have to wait for the review before some of the questions are answered. That is particularly worrying.

Another issue that we considered was the shared room rate, which the Government say in their response will be renamed the shared accommodation rate. It is meant for younger people, who are expected not necessarily to have single tenancy of a complete property but to share with others. It is proposed to raise the age limit for the shared accommodation rate from 25 to 35.

I am not sure that the Government have thought through the implications. I held a housing summit in Aberdeen to which a lot of people from the public rented sector came along, particularly from housing associations, and they were greatly exercised. Do the Government know how many houses in multiple occupation exist? Is there enough accommodation for that group of people? In my area, there are virtually no HMOs, because it is quite complicated and bureaucratic to register as one. A number of people who fall into the category will not be able to access a room in shared accommodation. Have the Government considered changing the rules to make it easier to share? It is illegal for tenants on housing benefit to sub-let, and there are all sorts of other barriers in the rules that make it difficult for people on housing benefit to share housing.

Have the Government considered the divorced or separated dad who is 34 years old and has access to his children at the weekend? What will it mean to bring children into a house in which other people live? Have the Government considered the child protection issues involved? Will the single room rate apply to the divorced father under 35 who looks after his children one or two nights a week?

What research have the Government done to ensure that accommodation for that group exists at all? In some rural areas, there are no HMOs. Will young people all be expected to flock into cities and more populated areas if the accommodation for which they qualify does not exist in their area?

Caroline Lucas (Brighton, Pavilion) (Green): Does the hon. Lady agree that it is particularly unreasonable to require expectant mothers to share accommodation up until they give birth? The last thing I can imagine wanting to do, having just given birth, is suddenly to find somewhere new to live and move house. That is completely unacceptable.

Dame Anne Begg: Indeed. I know from the homelessness legislation that that problem already exists. Lots of young pregnant women come to my constituency surgery who are living in mum's spare bedroom or on her couch, but the homeless section will not see or deal with them until the day the baby is born. Usually the homeless section is sympathetic and will try to find them somewhere, but I suspect that that might happen only in Aberdeen, where there is not as much pressure on the social rented sector as in London. Such young women are often in a state of anxiety because they do not know what they will be taking their baby home to. They worry that it might be a damp room in a shared house somewhere.

Glenda Jackson: My hon. Friend lays her finger precisely on a constituency case that I had. The mother involved gave birth to her baby in the local hospital, the baby was ill and my constituent's medical team would not allow her to take the baby back to where she had come from, as it was overcrowded, seriously damp and totally unsuited to a sick child. As a result, additional costs were laid on the national health service due to the complete unacceptability of her living arrangements at the time.

Dame Anne Begg: I suspect that most hon. Members will have similar examples in their constituency.

The Government's response lists the various groups to which the shared accommodation rate—I have got so used to calling it the single room rate that I am finding it difficult to change—will not apply, but it is not clear how all the housing benefit changes will affect those living in supported accommodation, especially those who receive a mixture of Supporting People money and housing benefits, which is often a complex package of benefits, to allow them to live with support in their own home or shared accommodation. Will the Minister say a bit more about that?

Our report also considered work incentives, which were the main rationale for the Government's changes—well, I suppose that the main rationale was to save on the housing benefit budget, but the second was to improve work incentives to ensure that work always pays.

Jonathan Lord (Woking) (Con): I congratulate the Select Committee on its excellent work, and the hon. Lady on a very good exposition of some of the worries and potential issues with regard to the reforms.

As a non-member of the Select Committee, I would be interested to know where the Opposition parties are coming from on the overall thrust of the reforms. The Labour manifesto in the 2010 election said:

> "Housing Benefit will be reformed to ensure that we do not subsidise people to live in the private sector on rents that other ordinary working families could not afford."

It is my understanding that that is a major thrust in the thinking behind some of the reforms. Does the hon. Lady agree with the manifesto of 2010? I would find that helpful to know, as background to the more detailed debate.

Dame Anne Begg: As we are speaking, perhaps the hon. Gentleman could read the report, where he will discover that the Select Committee recognised that housing benefit needed to be changed, and that the costs of housing benefit should be under control and affordable. There is no dissent from that. In terms of the Government's response, the Government agree with the Committee, even within the ambit of the importance of getting the right amount of money to the right person to ensure that those who are on housing benefit are not experiencing a luxurious lifestyle, though I have to say they are not. That is where much of the problem in the debate came: the often overblown claims in some of the tabloid papers. One must remember that local housing allowance was set at broad rental market area level. Although the overall cap is £400, in a lot of areas it was already not possible to get that level of housing benefit or local housing allowance anyway.

Kate Green: If the hon. Member for Woking (Jonathan Lord) has now had the opportunity to consider the Government's response, I wonder whether he was as struck as I was by the recognition that, after the introduction of local housing allowance, it was found that most low-income working households do pay a rent slightly lower than the local housing allowance rate for the property they occupy. It was only slightly lower—that rent was usually 90% or more of the local housing allowance rate. The differential between those who were in work and those not, in terms of rent paid, was relatively low. The make-up of the two groups often accounted for quite a lot of that difference. Those who were in work and having to pay rent were often young professionals, for whom occupying rented property would be a transitional step through to property ownership.

Dame Anne Begg: Very often, partly because of the publicity and the tabloid headlines, the assumption is that people on housing benefit are always out of work, when that is certainly not the case. In fact, in London it is particularly important that if low-paid people are to get work and to have work incentives, housing benefit must be set at the right level. The danger is that the gap between what they can get in housing benefit and what they can afford is too great; they end up not being able to get accommodation in the area in which they are working, which is even more important.

Jenny Willott (Cardiff Central) (LD): Is one of the problems not the fact that local housing allowances have driven up rents for everybody in the private rented sector, including people who are working? That has had a knock-on impact on both those who are receiving the LHA and on those paying all their rent. Even where the difference between those who are not receiving LHA and are paying the rent themselves is 90% of LHA rates, that is higher than it would have been had the rents not been driven up in the first place. It has a much broader knock-on impact across society.

Dame Anne Begg: Earlier in my contribution, I said that I do not believe that is the case in Aberdeen. Wherever the housing supply is less than the housing demand, it is the lack of supply and the ability of those in work to pay higher rents that drives up rents, not the level set for the local housing allowance. It is a chicken and egg situation. Why was the local housing allowance set at that level for that broad rental market area? It was because of the average house rental price in that area.

The hon. Member for Cardiff Central (Jenny Willott) will have constituents in the private rented sector who will already, without any changes, be supplementing the local housing allowance out of their other benefits, in order to be able to afford the house. If rents were being driven up to local housing allowance levels, we would have seen a much smoother curve in the cost of all housing. All housing would cost the local housing allowance, but very often it still costs a lot more. That has been the problem that many are facing. It may be true in some areas, but that is what one hopes the research will find: that in the odd area a large number of people in the private rented sector are also on housing benefit. I understand that Blackpool is one of those areas. In such areas it may be the case that private rents have gone up to the LHA.

However, I do not believe that would be the case in more affluent areas. Unfortunately, in areas where that has happened, unless landlords reduce rents, we are still in a cycle of people not being able to afford the housing or to get other housing that they can afford, because of the changes. I have not said anything about the changes from the 50th to the 30th percentile: that also comes into play in a different area.

I was going to say something about the importance of housing benefit to work incentives. Perhaps that is something the Minister could answer. We know that housing benefit is to be in the universal credit, but we do not know the details of how it will be treated. One fear is that if housing benefit comes in as a flat level rather than the actual cost of the housing occupied, there might be a disconnect between what someone has to pay out and the effective withdrawal rates, so universal credit would not operate as it is meant to and ensure that works pays in all cases.

I am coming to the end of my comments, and I appreciate that I have not covered everything in the document. I mentioned that I held a housing summit—predominantly for housing associations but including those in the social rented sector in my constituency. The reason for that was that it became apparent that not only were there knock-on effects from the private rented sector that would result in higher demand for their properties, but there are also Government proposals that would affect them directly.

The biggest one that worried housing associations and the social rented sector is the under-occupancy rule, as it will affect all social rented housing as well as the private rented sector. The fear is that there will not be enough accommodation of the appropriate size for people to move. Consider the case of parents in their late-50s occupying a three-bedroom house, because it was the family home in which the family grew up before leaving. They have fallen out of work, which might be exacerbated by the increase in the state retirement age to 66. In their late 50s or early 60s, for the first time in their lives, they are now dependent on housing benefit in order to pay the rent, but they will only get housing benefit for a one-bedroom property, because that is all they will qualify for. Can the Minister say how the amount they get will be calculated? It could be, in an area such as Aberdeen, that what they pay for their three-bedroom council house is less than they would get in local housing allowance, even after the changes, for a one-bedroom flat in the private rented sector. There is a false economy if they are being forced to move into something more expensive, which they will get because it is in the private rented sector.

I could be flippant and say that there will be plenty of one-bedroom flats available because all the 25 to 35-year-olds will have had to move out of them to go into shared accommodation. However, I do not think that the 60-year-old mum and dad are going to move into the equivalent of a one-bedroom student flat, which a younger person has moved out of. This will cause great anxiety and worry. A lot of people will probably stay where they are, but they will be very short on the rent.

I know that the Minister is particularly concerned about pensioner poverty, but a large group of people who have fallen out of work towards the end of their working lives and who cannot get their state pensions until they are 66 will get caught up in this issue; it will not affect people who are over pension age, but it will affect those who are just below it, whose last years before they get the state pension will be spent living in poverty. They could become the group with the highest levels of poverty. The issue really must be considered. The social rented sector is particularly worried, because a lot of those people are already in the sector, and there is simply not enough stock to allow people to be moved around and housed according to the new occupancy rules.

When Labour was in government, many Opposition Members said it would be unfair for older people to have to sell their houses to pay for their care. They also said that it would be unreasonable for them to have to sell their houses because the council tax was too expensive. However, the Conservative coalition Government are saying that it is perfectly acceptable for those living in the social rented sector to have to move at a time in their lives when they should be settling down and moving towards retirement. The issue is a great concern, and people are very exercised by it. In rural areas, of course, there may not be houses of the appropriate size because they do not exist. People will therefore face an enormous shortfall between their rent and what they can get under the occupancy rules because of where they live.

I could say a lot more, but I am conscious that I have taken up a lot of time.

Jonathan Lord: On under-occupancy, my local council has a terrific record on providing social and affordable housing. Like other hon. Members, however, I have many constituents who need larger houses. Sometimes, they are on a waiting list for years to get one. Across the country—I have asked about this on the Floor of the House—hundreds of thousands of people are taking up space that they no longer need. Does it really make sense to have all those people waiting for appropriately sized accommodation, while others are being subsidised in the social and affordable sector and sitting on properties that are far too large for their current needs?

Dame Anne Begg: I hazard a guess that the group of constituents the hon. Gentleman is talking about—we all have them—are not sitting in one-bedroom properties, but two-bedroom properties, and they will be looking for three or four-bedroom properties as their families grow. However, the people who are over-occupying will qualify only for a one-bedroom property, and in places such as Glasgow, there are simply not enough one-bedroom properties in the social rented sector to cover the number of people who qualify only for a single-bedroom property.

Glenda Jackson: On that very point, I have a briefing from the National Housing Federation, which states:

> "There is a very limited supply of one bed properties into which people will be able to move. In 2009, just 38,700 one bed housing association properties were let to people of all ages in England. By contrast, the DWP's impact assessment identifies 240,000 households who fit the size criteria...Most of these people will see a cut in their benefit with no prospect of being able to move to a smaller social home."

Dame Anne Begg: That gives some of the figures. The problem is the mismatch between what people will now get housing benefit for and the actual housing supply. We also have to remember that housing associations and councils are no longer building houses. In fact, the housing summit that I hosted made it clear that housing associations, in particular, are afraid that they might not be in a position to build any more new houses. At the moment, banks regard them as a fairly low investment risk, because they know that housing associations will be paid housing benefit directly for residents who are on it. Under the move to universal credit, housing benefit will no longer be paid directly to the landlord, which will undermine housing associations' ability to borrow, because they will no longer be seen as low risk.

Alternatively, housing associations might have a large number of tenants in properties that are over-occupied, so they will see a shortfall in housing benefit. On a number of different fronts, therefore, housing associations could see arrears build up, because people can no longer afford rents as a result of the changes to housing benefit. If housing associations are then seen as no longer being a safe investment bet, they will not be in a position to build the new houses that are required. Some housing associations have gone down the route of shared equity and all sorts of other things, but all that is under threat because of the housing benefit changes. That was outwith the scope of the Committee's report, but it certainly needs to be considered, and I hope that we will return to it at some time in the future.

I know that I have not covered everything and that I have covered only bits and pieces, but I have talked for a long time, so I hope that hon. Members will have a flavour of some of the issues. Yes, we welcome some of the things the Government have said, but we are generally quite disappointed by their response and by their view that £190 million of discretionary housing benefit will somehow magic away a lot of the problems resulting from the changes. I hope that the Government are listening and that the Minister can answer at least some of our questions—if he cannot do so, I am sure that he can write to us.

3.17 pm

Caroline Lucas (Brighton, Pavilion) (Green): I warmly welcome the report of the Work and Pensions Committee. I congratulate its Chair and her team on such an excellent piece of work.

The report and the evidence given to the Committee show that the Government are prepared to attack the most vulnerable in our society in pursuit of their blinkered cuts agenda. The so-called reforms to housing benefit demonstrate, sadly, that the nasty party is alive and kicking—and kicking the poor especially hard.

The Government response, which was published today, does not adequately address the concerns raised by the Committee's report and by the expert witnesses. It is a shame, and perhaps rather telling, that the Government chose to publish their response on the morning of the debate, giving little time for proper scrutiny of it.

As the Committee notes in its conclusions, it was told that a few highly publicised cases of large families in high-rent properties in central London have been used to distort public perception of the scale of the problem. With the assistance of the right-wing press, the coalition tries to justify the housing benefit cuts by presenting housing benefit as an area of waste.

Jonathan Lord: I accept, as hon. Members have said, that these isolated cases are anomalous and are not the norm. However, does the hon. Lady really think it right, especially in a time of economic hardship, that hard-working families see other families living in properties, perhaps in central London, worth £1.2 million, when they could never possibly aspire to live in such houses on their salaries and wages? Does she agree with the cap that the Government still intend to introduce?

Caroline Lucas: A tiny number of high-profile cases have completely distorted the whole debate. Yes, there will be a few cases that cannot be justified, but I do not think that they should be allowed to dictate a policy that will be so punitive towards the poorest and most vulnerable.

Glenda Jackson: On precisely that point, I, too, was somewhat disturbed by the Prime Minister's absolute adumbration that such cases were the norm for people who claim housing benefit, so I tabled questions. We are talking about precisely 90 families, who are all in central London. They are all large families, usually from ethnic minority communities, who have come to this country because we offered them asylum.

Caroline Lucas: I am enormously grateful for that information, which clearly sets out what we are dealing with. We are not dealing with the manufactured scenario in which hard-working families support the housing costs of huge numbers of workshy people who are wasting taxpayers' money, which is the story being put about. The evidence given to the Committee shows plainly that that approach is inaccurate and irresponsible.

Let us remember that only one in eight of all housing benefit claimants is formally classified as unemployed. The rest include people on low incomes, pensioners, carers, and people with disabilities who are unable to work. We must challenge the myth of the workshy.

Jonathan Lord: We had a thoughtful exposition from the Chair of the Select Committee, and I now hear a diatribe about the nasty party. First, I remind the hon. Lady that the Government are a coalition, as is evidenced today, and secondly the characterisation is totally wrong. I used to be the housing chairman in a London local authority and am now the Member of Parliament for Woking. There are many hard-working people in Woking, including the ethnic minority communities, who would love large houses in the centre of London, but it is just not tenable.

Jim Sheridan (in the Chair): Order. Interventions are becoming a bit long. Does the hon. Gentleman have a question he wants to ask?

Jonathan Lord: Thank you, Mr Sheridan. My question is whether the hon. Lady will withdraw her uncharacteristically barbed remarks, when she can see from the Government's response that we are trying to get the housing benefit system back into kilter. At a time of economic difficulty, there is a need for a fairness test. I bring her attention back to those hard-working families who see others living in ridiculously large houses.

Caroline Lucas: I should be delighted for the housing benefit changes to be challenged under a fairness test, because any sensible fairness test on what is proposed shows that it fails a fairness test over and over. I am not delivering a diatribe. I am making a point. The media coverage and the language used, from the Prime Minister downwards, give the impression that there are many people who are simply workshy. To begin to challenge some of the stereotypes, it is important to state that only one in eight of all housing benefit claimants is formally classified as unemployed. I should love to withdraw the remarks I made about the nasty party, but on the basis of the information I have I cannot. The fact that the Lib Dems have now joined the nasty party does not make things better. It makes two nasty parties instead of one.

However, I should like to get on to the serious points. Many people who depend on housing benefit to get by in Brighton and Hove are in work. To be exact, 31% of people who receive LHA are in employment. They rely on housing benefit but they fear they will be forced to move away from the higher-rent areas where they work, such as my constituency of Brighton, Pavilion. As part of the June 2010 Budget the Government announced an intention to uprate LHA rates by the consumer prices index from April 2013. That measure, which is now in the Welfare Reform Bill, will make rents increasingly unaffordable for local housing allowance claimants throughout the country as the rates are linked to inflation rather than the real cost of rents.

Without access to adequate temporary support with housing costs, people who lose their jobs may be forced to uproot their families and move to a new area, undermining their efforts to find employment and get back on their feet. That is graphically demonstrated by new research by Shelter and the Chartered Institute of Housing, which shows that by 2025 nine out of 10 homes will be unaffordable to local housing allowance claimants in Brighton and Hove. The research found that in Brighton the areas with the most locations of employment were quickest to become very unaffordable, with the more remote rural areas and the eastern coastal area, which has relatively high unemployment, remaining relatively affordable. For many, therefore, the cuts to LHA will force them to move and make it difficult to retain their jobs, because it will be too impractical or costly to commute from the cheaper areas they will be forced to go to.

Once the cap on rail fare increases is raised to 3% above inflation from 2012, and the arrears caused by the shortfalls in housing benefit have really started to pile up, the Government's housing benefit cuts will mean that many will find themselves in a new benefits trap, removed from their communities and newly unemployed. When working parents in receipt of LHA are forced to give up their home and move to a cheaper area, they will struggle to afford the astronomical child care costs they need to pay so that they can work, because they will no longer live near friends or family members who might have helped with child care in the past.

The proposal for LHA to be set at the 30th percentile of market rents—down from the 50th percentile or median rate—and the proposal to link LHA increases to the CPI will have a hugely negative impact on my constituency. Brighton and Hove has one of the largest private rented sectors in the country, comprising 28,000 homes—almost a quarter of all the city's housing at 23%. My surgeries are already full of people who are struggling to pay rent and to find alternatives to cramped, overcrowded and overpriced accommodation. The Government's plans can only make their situation worse. The increase in housing benefit bills over recent years is not, as the Government would have us believe, the result of an epidemic of scroungers. As the evidence to the Committee makes clear it is due to considerable growth in the number of people who are being forced into the private rented sector. In Brighton, Pavilion, for example, someone would have to earn more than £50,000 a year to buy an averagely priced house. No wonder that 11,000 households are on the waiting list for affordable housing in the Brighton and Hove area. At current rates, that list will take more than eight years to clear.

Brighton and Hove city council acknowledged to the Committee in written evidence that the housing benefit changes could increase homelessness applications. Indeed, the Committee reports the fears of numerous expert witnesses that evictions and increased homelessness will be the results of the policies. The Committee concludes that large families, young people, older people and disabled people may be particularly affected. It is plain from the evidence given by Brighton and Hove city council that the reality of those changes for people who are already struggling in my constituency will be even greater shortfalls between benefits and rents than already exist.

Perhaps I may give the House a few figures. In the city council's evidence to the Committee, it acknowledges that a total of 721 pensioners will not be able to meet their rent, while 250 pensioners who could previously meet their rent will have an average weekly shortfall of £7, and a shocking 471 pensioners will have a new average shortfall of £31.76 a week. Some 2,500 working families will not be able to meet their rent, and more than 1,400 of those families will have a new average weekly shortfall of £33.70. There are 2,386 families with children who will not be able to meet their rent, with 1,122 of those families facing a huge new average weekly shortfall of £41.94—about £175 a month. I could go on, but the House gets my drift.

It is not okay to sit back and wait to see whether landlords will drop their rents. The Government are being far too complacent in their response. Landlords are under no obligation to reduce rents. Some may do so, but many may not, and it will be the vulnerable people, including pensioners, children and people with disabilities who will suffer the most. The way landlords respond to the cuts will vary depending on their local private rented sector market, as well as on their own financial circumstances. Many landlords will shift to the non-LHA market and LHA claimants are likely to be ghettoised in lower-rent areas, living in poorly maintained

[Caroline Lucas]

houses in multiple occupation. It is not good enough simply to hope that the cuts to LHA will lead to a fall in rent levels, when people's homes are at stake.

What of young people—another group identified in the Committee's report as particularly affected? It is clear that young people will be very hard hit by the shared room rate announced as a follow-up to the June Budget proposals, as part of the October spending review. Now consideration is being given to extending that rate to include people up to the age of 35, and that will have a hugely negative impact. The paltry shared room rate already results in single claimants experiencing unsustainable shortfalls between their rent levels and housing benefit entitlement. Those shortfalls are more acute for younger claimants. Given that it is already extremely difficult for young people to find accommodation at the pitiful shared room rate, the proposal to extend the age group of those who must try to survive on it in the housing market will make it even harder for young people to get accommodation. I fear it is very likely that the proposal will lead to an increase in youth homelessness.

The Government like to present the shared room rate proposal as an extension of the idea of a group of young friends living together as their children might after university. That is a seductive argument, but only because it is so simplistic. There is a variety of reasons why shared accommodation is not always a suitable option for claimants. People with behavioural or dependency problems, and people who pose a risk often need to live on their own. As I said earlier, under the policy even expectant mothers will be expected to share until they give birth. Even if sharing is not a problem for an individual in principle, where is the accommodation to be found? It is wholly unacceptable for the Government to take the approach of implementing the policies before they have assessed what the likely outcomes will be. In answer to a parliamentary question, the Government stated that

> "the increase in the age threshold for the shared room rate announced in the spending review will affect around 88,000 claimants."—[*Official Report*, 1 November 2010; Vol. 517, c. 538W.]

However, the Department for Work and Pensions has not yet published an equality impact assessment on the shared room rate proposal. That is expected to be published with draft regulations. How can we have confidence in a Department that is prepared to make such a proposal, which is likely to lead to massive inequality and hardship—particularly for young people—without doing the equality impact assessment first?

The Government's agreement, in response to the Committee's report, to undertake a review of the housing benefit cuts taking effect this year is welcome as far as it goes. Such reviews will be essential if these damaging proposals go ahead. However, it is clear from the expert witnesses who gave evidence to the Committee and, indeed, from my constituents that the cuts being implemented will lead to hardship for many vulnerable people. Reviews are one thing, but the fact is that there is more than enough strong evidence of widespread concern over the likely effects of these measures to show that they ought to be dropped, and dropped now.

Not only are these cuts socially devastating, they make no economic sense. It is clear from the Committee's report and the number of times that it suggests in its conclusions and recommendations that money will be needed to address the negative consequences of these proposals, that the funding announced for discretionary housing payments is not enough. As the Committee rather gently puts it, the money is

> "intended to provide a solution to a very wide range of identified areas of concern".

That is very true. Even if we put fairness aside and look solely at the money, it is clear that the short-term budget savings from housing benefit cuts are highly likely to be eclipsed by a mounting bill to the taxpayer, as the knock-on consequences of homelessness, job losses and overcrowding impact on people's health and employment prospects.

Instead of attacks on housing benefits and cuts to other schemes that help people in housing difficulty, such as the support for mortgage interest schemes, we need a major investment in new affordable housing and measures to bring empty properties back into use. We need simple measures, such as a reduction in VAT on repairs, to encourage people to put older properties to better use, and we need proposals to support housing co-ops and other forms of affordable housing, not measures that drive up social housing rents to 80% of market rent. The Committee's report and the evidence it received makes it clear that if we are to reduce the housing benefit bill in the long term, we should build more affordable housing. Of course, that should be green, decent and fuel-efficient housing.

In conclusion, the proposed reforms are nothing less than brutal. The Government's U-turn on the punitive proposal to punish people who are on jobseeker's allowance for more than a year by cutting their benefit by 10% shows that the Government are on the back foot over their nasty housing benefit cuts. Thousands of people are losing their jobs and they do not want that safety net left in tatters. The coalition seems to want us to ignore the fact that we do not all start out with equal life chances and opportunities. A fair society redistributes wealth from the rich to the poor, not the other way around. The coalition's plans are punitive, destructive and costly, and people deserve better.

3.32 pm

Alex Cunningham (Stockton North) (Lab): I am pleased to have an opportunity to contribute to the debate. I congratulate my hon. Friend the Member for Aberdeen South (Dame Anne Begg) who chairs the Committee. This is the Committee's first report and she has led us well to some excellent conclusions. I will concentrate my comments on evictions and homelessness, which I believe will affect many people in my Stockton North constituency, as well as across the north-east of England and beyond. The Government's proposed cuts will, of course, have that result.

It is worth remembering some of the things that we heard while taking evidence. The Committee took extensive evidence from many organisations and interested parties on the subject. We took much evidence from Shelter, which—among other things—told us that 147,000 families with 250,000 children and 20,000 households with people over 60 would be put in serious difficulty by the proposals, and that is not just financially. The Mayor of London estimated that there would be a 50% increase in homelessness in London, costing £78 million for the 5,000 households in the city that could be placed in temporary accommodation.

There is more—much more. Nearly 3,000 people in the small borough of Stockton-on-Tees will lose out by at least £7 a week thanks to the changes. Most of those people are in my Stockton North constituency rather than in Stockton South, which is represented by a Conservative Member. To some people, £7 is not a lot of money. However, that can represent food on the table for a family for two or three days. Large families are particularly vulnerable to the changes proposed by the Government and could face temporary homelessness, especially in central London. There will also potentially be an increase in poverty, including child poverty.

I make no apology for referring time and again to Shelter, which is one of the most credible organisations that I know. It, along with other organisations, has expressed concern that the number of households living in overcrowded properties will increase as a consequence of the reforms. According to Shelter's written evidence, 1 million children are living in overcrowded conditions across the country, which is not only a problem for large families. Shelter also estimates that 72,000 families with 129,000 children may be forced to move out of their existing homes and that children will be uprooted from schools, which impacts on their education and social development.

It is likely that the reforms will lead to a significant movement of local housing allowance claimants from higher to lower rent areas. Those areas are likely to be relatively deprived and lacking in job or training opportunities, transport links, good schools and so on. The reforms have other wide-reaching effects, which can only add to the considerable burden on already stretched local authorities and on resources such as schools and doctors at a time when local authority spending is being decimated by the Tory-led Government. In the Stockton borough, there is a 28% cut in grant over the next two or three years, most of which is front-loaded.

My hon. Friend the Member for Brighton, Pavilion (Caroline Lucas) mentioned that it is important we do not detach housing benefit from the broader issue of affordable housing provision and the difficulties for first-time buyers, especially in London and the south-east—although it is a problem across the country. The Government say that they will build 150,000 new affordable homes over the next five years, but that is less than a third of what the country actually needs. I recognise that Labour could have done much more in government to secure more adequate provision of social housing, but it is important to recall that, when we came to power in 1997, we were left with a £19 billion maintenance backlog by the previous Tory Government. I often wonder what the picture would be today if we had been able to spend that £19 billion on building new homes.

The Tory failure to fund the upkeep of social housing meant that hundreds of thousands of families were living in substandard and even dangerous conditions. Through our decent homes programme, council-owned homes have been fitted with more than 700,000 new kitchens, more than 500,000 new bathrooms and more than 1 million new central heating systems. More than £33 billion—£21 billion of it from central Government—has been invested in social housing, and we have reduced the number of non-decent social homes by 1.5 million. Yes, that created tens of thousands of jobs, but those jobs have now gone, forcing more people out of work and making them dependent on the kind of allowances we are debating today.

The Committee made a series of recommendations around the issues aimed at getting a balanced approach to change, and the Government responded just over 24 hours ago. Apart from the stark statement that the Government consider the estimates made by witnesses to have been exaggerated and that, in any event, the extra £190 million of funding will meet the challenges, however great, the response offers limited consolation to the people who will be most affected by the changes. Like others, I am not sure that the £190 million will go anywhere near to meeting the transition costs and other challenges. Paragraph 30 of the response states:

> "If landlords reduced rents by £10 a week there would be a significant reduction in the number of customers in receipt of Housing Benefit under the Local Housing Allowance Scheme that would face a shortfall."

There are two problems with that. First, I remain to be convinced that the claimed downward pressure on rents will happen, regardless of the number of people in receipt of that benefit. Secondly, why should families and individuals who have so little to start with have to face cuts in their weekly income for some politically motivated reason that I fail to understand?

Yes, I have heard the arguments, such as those made by the hon. Member for Woking (Jonathan Lord), who has left the Chamber, about it being unfair for people on benefits to live in the same or even better homes as people in employment. However, we surely do not accept the *Daily Mail*-type rhetoric that suggests the bulk of families on benefits are wasters and scroungers. They are not, and it is time we saw evidence of the care that the Government claim to have for our most needy. The *Daily Mail* line is disproved best by Shelter's evidence that 0.01% of the entire local housing allowance caseload is represented by households claiming the maximum rent available.

Apart from the welcome decision to see sense and abandon the punishment of people on jobseeker's allowance by fining them 10% of their housing benefit for being unable to find a job within 12 months, I am disappointed by the Government's response to the report, which contains a set of recommendations put forward with the full agreement of the Select Committee. We have had a very thin response, indeed. As the Government's programme is rolled out and the experts who gave us evidence are proven to have had well founded fears, I hope that the Government will take corrective action quickly and not allow a new underclass to be left deeper in poverty and struggling to find a home.

Dame Anne Begg: I wonder whether, with my hon. Friend's experience as a local councillor, he has been able to quantify how much extra it may cost local councils to deal with the homelessness that will arise as a result of the Government's proposals, and, indeed, the increase—perhaps return—of the bed and breakfast, which will be the only alternative that many people will have, as a result of being forced out of their homes?

Alex Cunningham: I do not currently have the specific details relating to Stockton-on-Tees, but I know that there are anxieties about everything, from how the council will deal with housing benefit in the future, to

[Alex Cunningham]

how it will deal with the people who are going to lose their jobs, as its responsibility is removed. It expects a considerable influx of people into the housing department seeking accommodation and further help. Whether that will be available, I do not know, and that is all the more reason why, as the Government have been proved to have been wrong on this issue, they will need to take quick action and correct it.

3.41 pm

Jenny Willott (Cardiff Central) (LD): A number of hon. Members have mentioned that the Government's proposals have been driven by the portrayal, in the right-wing media, of scroungers and so on. While I agree with hon. Members who say that that media portrayal is inaccurate and unfair, we should also make it clear that the Government's proposals are not driven by that portrayal.

Today, the Liberal Democrats have been called the nasty party. Although the hon. Member for Brighton, Pavilion (Caroline Lucas) was not a Member of this place prior to the general election, the principle was established in the previous Parliament that there should be a cap on housing benefit on local housing allowance. The hon. Member for Aberdeen South (Dame Anne Begg) will remember, when we were both members of the Work and Pensions Committee in the previous Parliament, that the principle that nobody should be entitled to a house of more than five bedrooms was introduced by the previous Government on the basis that it was not fair that people should have an endless capacity to have houses that were costing taxpayers a significant amount of money. We can therefore argue about where the cap should be set, but the principle was set, and hon. Members in all parts of the House agreed that there should be a cap of some sort to ensure that there is fairness for those working on low incomes and to ensure that they do not feel at a disadvantage in their communities in comparison with those who are not working and are receiving LHA.

As I have said, I was a member of the Work and Pensions Committee in the previous Parliament. One recommendation that the Committee made, in one of the final reports that we published in the previous Parliament, was that there should be additional rooms available on LHA for people who need carers. I would like to put on record that I am really glad that the Government have now introduced that. When we took evidence prior to the election, that situation seemed to be very unfair, and the evidence we took included some upsetting stories about how that had affected people's lives. I am glad, therefore, that that has been put right.

I want to flag up a number of issues about which I have concerns, and I would be grateful if the Minister were to respond to them in his summation. One concern relates to the broad rental market areas, which have been an issue for a period of time. The Committee looked at that issue in the previous Parliament and raised it as a concern. However, the Government are proposing to change the centile, so that LHA will be based on the 30th centile. Whether the BRMAs are working effectively becomes an even more important issue, because it has an even more noticeable impact on the amount of LHA that claimants can receive as a maximum.

Some BRMAs have serious internal problems within an area, which then create barriers to the labour market. The most often quoted example is the city of Cambridge. The area covered by the BRMA includes the city centre, which has very expensive properties, and a significant rural hinterland, where the properties are very cheap. That means that the centile is skewed by the large rural areas. If people then end up living in those areas, the jobs are not there and it makes it difficult for people to access the labour market. The opposite effect, as the hon. Member for Aberdeen South has said, has been seen in Blackpool, where the cheap areas are in the town centre and the rents there have been driven up by a significant amount. That has effectively priced working families on low incomes out of the town centre and made it difficult, particularly in a job market that is heavily reliant on seasonal work, for people to keep their accommodation.

As well as the well-known examples of Cambridge, Blackpool and others, there is a significant problem in London, where the BRMAs are enormous. People moving from one area of a BRMA to another are not moving within a small area. It may be that there are entire boroughs within a BRMA where there is almost no affordable accommodation for people receiving LHA. I know that a number of London MPs are concerned about how exactly that might work. The principle, therefore, of changing the centile from the 50th to the 30th, if the BRMAs work properly and effectively, might not be too problematic. Where BRMAs are not working, however, where they are too big or where they have internal problems, those issues will be exacerbated by the move from the 50th to the 30th centile. I hope that the review of the housing benefit proposals, which was mentioned in the other place by Lord Freud, the Minister with responsibility for housing benefit, will look at BRMAs, which have not been examined properly, have been a problem for a number of years and have not been taken seriously.

In Wales, BRMAs are coterminous with local authorities, which seems to be more effective because it tends to involve a smaller area. People tend to have their community, and, as the hon. Member for Brighton, Pavilion has said, their support network—their friends and family—that they need to be able to stay in work, and they tend to be in the same local authority area. By reducing BRMAs to a more practical size, we may be able to overcome a lot of problems that might otherwise arise with the change to the centiles.

On the shared accommodation rate—I shall probably call it the wrong thing as well in this debate—I share the concerns raised by other hon. Members. I completely understand the rationale behind it of ensuring that people who are receiving LHA are not at an advantage over people who are working and not receiving benefit. My personal view, however, is that it seems to be based on a London-centric view of the world. In London, a lot of young people under the age of 35 live in shared accommodation. For those working in London, it is difficult to afford a one-bedroom property. Outside London and outside of the expensive parts of the UK, in a lot of areas young working people under the age of 35 are perfectly able to rent a one-bedroom flat. That is certainly the case in my city, Cardiff. We may find that we are putting young people up to the age of 35—I would like to think that that is young—at a potential disadvantage, in comparison with other people.

Dame Anne Begg: I agree wholeheartedly with what the hon. Lady is saying, but it is actually much harder for those who are dependent on housing benefit to lead the kind of shared life that I think the Government envisage. Students sharing flats are not dependent on housing benefit and are therefore not hidebound by the rules of housing benefit and what can be rented as a result of housing benefit, and neither are groups of young professionals who might be sharing a house or a flat. They are not hidebound by the rules of tenancy agreements and what is legal and what is not illegal. Part of the problem is the lack of houses in multiple occupancy to which people on housing benefit can have access.

Jenny Willott: The hon. Lady makes a valid point. In areas of my constituency, a large number of students live in shared accommodation. If they are in a house in multiple occupancy, most students are not going to want to share with somebody who is on housing benefit, partly because it makes it difficult for council tax exemption and things like that. As soon as there are different people with different exemptions and different rules, as the hon. Lady has said, the financial arrangements for a household may become complicated.

Finally, the other issue about which I have some concerns is the move to uprating rents in line with the consumer prices index, rather than with average rents. The issue is a difficult one to resolve, and I completely understand why the Government have decided to propose the change. Increasing the local housing allowance in line with rents has, in large parts of the country, driven up rents significantly. As the hon. Lady has mentioned, if we set the LHA at the median rent, and if all the landlords currently charging less than that bring their rent up to the median, then the median rises. Rents inevitably go on an upward bend, which has happened in significant parts of the country.

I appreciate that the Government are tackling that issue to ensure that it does not happen and that people have a fair crack of the whip. No only are there implications for the vast amount of money that the Government are spending through the LHA, but there is a knock-on impact on those who are not receiving the LHA in a local area and are renting privately. It can make it even more difficult for those on low incomes to afford appropriate accommodation.

I have some concerns, however, about uprating rents in line with the CPI. The index reflects inflationary increases, but it is not designed to reflect changes in the housing market. I am glad that the Government will be reviewing the decision in a couple of years—2014, I think—after seeing the impact. If the LHA is not keeping track with what is happening in the rental market, we could end up with a big gap separating those on the housing allowance and those paying rent. That might have a serious impact on those people's ability to get into work, as well as all the other positive things the Government are driving forward.

A number of hon. Members have mentioned that the whole situation is driven by our not having enough social housing in the UK. It is crucial that we build more social housing, if we are to tackle any of the issues.

To get in my party political pop for the afternoon, both the previous Labour and Tory Governments sold off more than they built, which is why we are in such a mess in the first place. After the Thatcher-Major Government, by 1997 there were 1.1 million fewer social homes, which is a huge number. Then, after 13 years of Labour in power in this country, there was still a drop of another 250,000 in social housing. By the time Labour left power last year, there were 1.7 million families on housing waiting lists, which is such a vast number that it will take much greater changes than those to the housing benefit rules if we are to do anything about it.

I am glad that the Lib-Dems in government are ensuring that something will happen. The Under-Secretary of State for Communities and Local Government, my hon. Friend the Member for Hazel Grove (Andrew Stunell), announced that more than 150,000 affordable homes will be built over the next four years. That is a start, although clearly not enough when we have such a massive deficit of social housing in this country. At least it is progress in the right direction, rather than going backwards. I hope that, whatever we think about the changes, people will fall in behind the building programme to ensure that it happens, so that we can make some progress and people can afford homes to live in.

3.53 pm

Glenda Jackson (Hampstead and Kilburn) (Lab): I congratulate my hon. Friend the Member for Aberdeen South (Dame Anne Begg), who chairs the Select Committee on Work and Pensions, and other hon. Members who have contributed to the debate this afternoon.

I must say to the Minister that the Government response to the Select Committee report adds insult to injury. The insult was the Government's failure to give the House their response to the report earlier than this morning. Committee members were in a privileged position: we got our less-than-glossy copies yesterday morning, I believe at about 9.25. What was injurious was that the Government seemed not to have read the report.

I freely expect the Government not to listen to anything that the Opposition have to say about proposals, but I am stunned that they ignore what a Select Committee puts before them, given that the Committee's findings are based not on our own experience as constituency MPs, but on a great deal of informed experience and evidence given to us by organisations whose only reason for being is attempting to prevent people becoming homeless or dependent on housing benefit. I have with me about a third of the briefings that I—in common with every other Member of the House, presumably—have received from such organisations. Almost without exception, the recurring theme coming through from such reports is the failure of the Government to listen to what they are being told or to take on board the dangers inherent in their housing benefit policy for the most vulnerable in our society.

We can all quote chapter and verse from our own constituencies about what the danger and damage will be. The hon. Member for Cardiff Central (Jenny Willott) spoke of the Government's policies being London-centric. Would that they were, because it seems to me that the Government totally ignore any of the individual situations that can be found up and down the country, that people are in and will remain in, even though they are in work.

[Glenda Jackson]

Many of the most low-paid in this country are utterly dependent on housing benefit, and they are certainly not pulling in rents that would keep in fine fettle a house worth more than £1 million.

The contribution of London Councils stated:

> "Housing costs are over 50% higher than the national average…child care costs are around 25% higher than the national average…Transport in London costs on average £10 per week more…than…in other metropolitan areas."

We are told that the whole thrust behind the Government's policy is not simply to cut money out of housing benefit or to fill up that big black hole of national debt, but to encourage people to get back into work. However, according to London Councils:

> "Added to this, Londoners face extra difficulties in moving into employment, with greater competition for entry level jobs. Many of these entry level jobs do not include a London weighting to reflect the higher in-work costs in the capital…The impact on jobseekers in London has been highlighted in research carried out by Reed in Partnership"—

presumably more evidence the Government know nothing about—

> "where the move into work costs on average £639.40 over the first month (including childcare), over £150.00 more than for the rest of the UK."

Other briefings also pointed out a genuine and well-based fear that the Government's proposals will inevitably lead to greater levels of homelessness, which would mean a greater need for local authorities to house, unless the Government propose removing the statutory obligation on them to put a roof over a child's head. Anything is possible with this Government—they might be intending that, but they have not said it yet. However, if the statutory requirement remains, local authorities will have to house children.

Without any question, every single piece of evidence presented to us shows that the people who will be most affected by the Government's proposals are the most vulnerable. Such people tend to be single parents with children, or families on very low pay with children. We are looking at a situation in which we might go back to the dreadful days, which I remember well, when families were existing—certainly not living—in ghastly bed-and-breakfast hostels.

Crisis, in its briefing to the Select Committee, said that at the moment the cost of a room in a bed-and-breakfast hostel could be £60 a day. How will the Government save money if that is indeed the future for many families, not only in London but throughout the country, if the proposals go through without any consideration?

As my hon. Friend commented on the Government response to the arguments put forward, not exclusively by the Select Committee, we are not inventing these things, which come not only from direct constituency experience, but from organisations that are expert in the field. They say, for example, that if people with a disabled child need an extra room, or space for a wheelchair or a dialysis machine, the Government's response is, "Oh well, we can't be expected to meet the requirements of every single individual in this country." Why? I thought that one of the first responsibilities of Government is to protect the citizens of this country. Surely protecting children, the disabled and the elderly is a vital part of any Government's job.

In their response to the Select Committee's report, the Government have failed markedly. There is lack of attention to detail. As most hon. Members who have spoken have said, the Government apparently believe that the additional £190 million that they have managed to find will cover all the additional costs on local authorities, for people who cannot meet their rents, and that that will be the panacea and remove everyone's problems. We all know that that is ridiculous, because it will not. There will be a nine-month transition. Really! Nine months' transition will do nothing except exacerbate the justifiable anxieties of people who know that they are being threatened and may have to move home.

When the noble Lord Freud gave evidence to the Select Committee, he was very sanguine about people who may have to move from central London boroughs to outer London boroughs. He could not give any fine detail of what properties could be affordable and available in outer London boroughs. He rested his contribution on the statement that there is a 40% churn annually of people moving house. He could not tell us what sort of families that 40% churn represented, and I think it highly unlikely that it included people with disabilities. I am pretty sure that it did not include families with children, because the monstrous aspect of the Government's proposals is not only that people will lose their homes—they will—but that children will lose their place in school. They will then have to try to find another place in another school. The evidence from Lord Freud's officials on school place vacancies bore no relationship to any figures that I have heard. There are two London boroughs in my constituency, and a desperate shortage of school places not only in junior schools, but in secondary schools. Yet according to the Government, the rest of London is awash with empty school places. I would be interested to know where they are, as would many of my constituents.

Another issue that Lord Freud completely discounted in his evidence about people having to be moved from central London boroughs to outer London boroughs was of people having to look for work. Again, he was remarkably sanguine about the cost of travelling. I had three constituency cases only this morning. In one of those, parents with three children aged nine to three are forced to live with their in-laws: six adults and three children are living in a four-bedroom house. The house is owned by the in-laws, but it is extremely difficult for the local authority to find anywhere for that unit with three children to live other than in the private sector.

Despite the Government's pronouncement that landlords will be only too happy to lower their rents when housing benefit goes down, there is a marked reluctance on the part of private landlords to accept tenants who receive housing benefit. In my constituency, almost without exception, there is a gap between what landlords charge and what housing benefit pays. That gap will only increase because of the Government's proposals.

Another issue that I find bemusing is the Government's argument that the proposal is not just about saving money, but is a real plus and an incentive for people to find work. The majority of people I know who are on housing benefit in my constituency, setting aside the fact that they may be disabled, work. They are in low-paid work, but they are expected to move somewhere else to find jobs, so central London will be bereft of all those jobs on which higher earners are dependent to be able to do their jobs. Quite how that will be a big plus in revitalising our economy is beyond my comprehension.

I have always had a rule, Mr Sheridan, that if one cannot say what one needs to say in 10 minutes or less, one should not rise to one's feet. As I am in grave danger of breaking my own rule, I had better draw my comments to a conclusion.

When the evidence in a Select Committee report is so irrefutable and it is of such importance to so many individuals and families that the Government get it right, it is absolutely scandalous that the Government response should be so flabby and patronising. The Government patted the Select Committee on the head, but they examined none of the real issues. Given the huge wider changes that they are introducing throughout the welfare benefits system, it is to be hoped that they will begin to do a little more research and take seriously the evidence that is out there.

4.6 pm

Ms Karen Buck (Westminster North) (Lab): As others have done, I congratulate the Select Committee, on producing such a comprehensive report into the Government's proposals in the June Budget. I also congratulate my hon. Friend the Member for Aberdeen South (Dame Anne Begg) on her thoughtful, balanced and comprehensive introduction to the debate. It is a great credit to the Select Committee that the report sought to be so balanced, and that the Committee so rigorously examined the proposals. It is striking and a tribute to the generosity of my hon. Friend's character that the report ended up being just a touch more generous to the Government than to itself in terms of the Government's impact assessment, which warned of the danger of increases in the number of households facing rent arrears, eviction or presenting as homeless, and of rising crime, increased pressure on the legal aid budget, increased overcrowding, disruption to children's education and lower educational attainment.

The Social Security Advisory Committee also comprehensively rubbished the proposals, and warned of unintended and perverse consequences of the changes, which will in many cases lead not only to hardship, but to additional expenditure in other areas of Government service.

The Minister of State, Department for Work and Pensions (Steve Webb): Just for the record, will the hon. Lady confirm that the SSAC produced its report before the nine-month transition period, before the October and April changes were brought together and before the 10% housing benefit change was reversed?

Ms Buck: I certainly confirm that. I am happy to commend the Government on their decision to withdraw the proposal to reduce housing benefit by 10% for people who have been on jobseeker's allowance for more than a year. I also accept entirely that there has been a phasing in of the cap on housing benefit, which particularly affects central London. As the Minister knows, that was more than compensated for in cash terms by bringing forward the reduction to the 30th percentile for housing benefit for local housing allowance claims, which affects the rest of the country for new claims.

We have heard a range of contributions this afternoon. My hon. Friend the Member for Hampstead and Kilburn (Glenda Jackson) was highly critical of the proposals, and she raised concerns about their impact particularly on families with children. She made it clear that one of the areas that has not been properly addressed by the Government and many commentators on this agenda is the variance between London housing costs and those in the rest of the country.

The hon. Member for Cardiff Central (Jenny Willott) raised a number of thoughtful and important points about the structure of the broad market rental areas and the complex lives of real individuals who will be affected by the move to the single-room accommodation rate. She made an important point, which I accept entirely, when she said that one reason why we have a dilemma about how to pay for low-income households and housing is due to a 30-year-long reduction in the availability of social housing. I do not want to divert too far from the central topic—I know you will not allow me to, Mr Sheridan—but in 1997 the Labour Government inherited social housing stock in such a poor condition that huge investment had to go into improving the physical conditions of council housing through the decent homes initiative. I have gone on the record extensively over the years to say that I, too, regret that we did not build more social housing. We would still, however, have had a significant number of low-income households in the private rented sector, and we would still be facing some of the same problems.

My hon. Friend the Member for Stockton North (Alex Cunningham) drew attention to the risks of homelessness and eviction in another part of the country. This debate has so often focused on London, and it is good and right for us to recognise that it is not only a London problem. The hon. Member for Brighton, Pavilion (Caroline Lucas) spoke powerfully about the experience of a city with a large private rental market, where the changes will have a profound impact in terms of squeezing out low-income households on local housing allowance across the city.

Since the cuts were introduced by the Government, the debate has concentrated largely on London and a few individual cases. It was good to hear many speakers emphasise that such cases involve a tiny minority of larger households living almost in very high-value properties, something none of us would defend. As the Select Committee report reflected, depending on which figures one uses, the few thousand cases that are at the significantly higher end of the cost market are an issue that the Government could have tackled, if they had wanted to. They could have confined themselves to that, but instead we have almost 1 million—936,000—households that will lose by an average of £12 a week over the course of a full year, once housing benefit changes to the local housing allowance are introduced. It is important that the public understand the sheer scale and spread of the changes, and there will be a nasty shock starting in April with the new cases calculated on the 30th percentile and the other changes phased in later.

Steve Webb: It is important that those who listen to our debates understand whether the hon. Lady opposes all the changes. She has mentioned 1 million losers.

[Steve Webb]

Does she accept that roughly 500,000 households would have lost in any case through the abolition of the £15 excess, which the previous Government were going to implement but put off until after the election? Does she support those losses affecting 500,000 households, or does she oppose them?

Ms Buck: It is right that the Labour Government intended to remove the £15 excess. However, the Minister will accept that the sheer number of people who will lose as a consequence of these changes far exceeds the small number of high-profile cases to which people on his side of the argument usually confine the debate.

We have rehearsed this argument before, so I do not want to spend too much time on it. None the less, the argument was made again during yesterday's debate on the Welfare Reform Bill that housing benefit is out of control. We know that expenditure on housing benefit increased from £11.5 billion to £21.5 billion over the decade, and only half of that is down to inflation. Social housing rents have risen significantly as a consequence of rent restructuring, and above all—this is the key factor and the reason behind so much concern in the Labour party—case loads have risen. Case load increase has been the main driver of increased expenditure on housing benefit. In the two years since the local housing allowance was fully extended across the country, 87% of the rise in that allowance was driven by case load. During those years of recession, almost half that case load involved either people in work, or those on jobseeker's allowance who were therefore connected with the labour market and seeking to get back into work.

It is also worth emphasising that local authorities have been making far greater use of the private rented sector in order to place homeless households. That is not a party political point, because the previous Government did that as well, reflecting the shortfall in social housing. In the past year, 60,000 households were placed in the private rented sector at far higher unit cost than if they had been in social housing. Many of those high profile individuals who found their stories in the *Daily Mail* and the *Daily Express* were placed in that accommodation by a local authority, because it had no other place in which to put them.

Professor Wilcox was, I believe, an adviser to the Select Committee and has worked extensively for the Department for Work and Pensions. Writing in the new *UK Housing Review*, he refuted the central Government claim that the local housing allowance was the main driver of inflation in costs:

> "The Government have argued that increased rents charged to clients reflect exploitation of the housing benefit regime by private landlords and that this has also been a substantial factor accounting for rising programme costs. The evidence for these claims is not robust. Even if it is assumed that all the above-inflation rise in private rents is attributable to landlord action, this would account for only 10% of the total cash increase in Housing Benefit over the decade."

We therefore have a rising case load, including a rising case load of those in work, of people who are at risk of losing a substantial share of their income either from April or during the 9 months afterwards. There will be new claims, and many of those people will be forced to move.

We already know that 47% of all local housing allowance tenants have a shortfall between their current rents and the allowance—I stand to be corrected if that is wrong. Therefore, the ability of tenants to absorb an additional shortfall is already small. We know that a substantial number will need to move to a reduced and continually decreasing pool of available property. The National Housing Federation has stated that in London alone, 160,000 claimants will need to fit into 46,000 homes.

There will be a major movement of people. The hon. Member for Woking (Jonathan Lord) made the case that his constituents find it hard to justify people living in high rental areas, and that they want to see costs come down and fewer people living in expensive areas, which may well be true. I understand that concern and that members of the public, particularly outside London, find it a struggle to justify those rents. There is less of a clamour, however, among the communities that seek to accommodate all those who will be required to move, whether that is further out into Brighton, to the edges of London or outside London.

It is worth reflecting on the response given by the London borough of Barking and Dagenham to the housing benefit cuts. Barking and Dagenham is one of the cheapest areas in the south-east, and it is likely to receive a large number of out-movers. I will quote its report:

> "Given that Barking and Dagenham has the lowest private rent levels in London…it would be logical to expect that displaced households might…of their own choice look for private rentals here,"

or they might be placed there by other local authorities.

> "Such an influx would place additional pressures on waiting lists, social, educational and welfare provision as well as greater demands for support in preventing debt and homelessness."

It has been estimated that at least 3,000 households will seek to move to Barking and Dagenham. The report goes on to say:

> "If rental demand does decrease and housing benefit claimants do migrate to the borough, this may have a significant impact upon the Council's ability to move its own residents from waiting lists"

into local accommodation. That would lead to increased tension between Barking and Dagenham residents and in-movers—as we know, Barking and Dagenham is a community where we do not want to increase tension between in-movers, many of whom will be black and minority ethnic, and the resident population.

The areas that will be expected to accommodate out-movers are not prepared for it financially: they do not have the resources; they do not have the school places; they do not have the social capacity; and many of them are seeing their grants cut as well. The move to using the consumer prices index will further ratchet down the availability of accommodation until, as the Cambridge centre for housing and planning research has shown, 34% of all local authorities will, within a decade, be unaffordable to everyone on the local housing allowance.

The Minister will say that discretionary housing payments will meet the shortfall and take the strain. It is welcome that additional money has been put into the discretionary housing payment pot and into the homelessness prevention fund for local authorities. However, it is estimated that that money will assist only about 60,000 of the total pool of households. Conveniently, 60,000 is also the figure for the households placed by local authorities in the private rented sector. It will therefore go no further than merely meeting the shortfall of local authorities' placements of their own homeless households. If it is asked to stretch further, it will not meet the shortfall at all. Therefore, as welcome as the money is, it will go only a very short way towards offsetting the disadvantage.

The measures will mean homelessness, hardship and all the risks set out in the Select Committee report, the Social Security Advisory Committee report and the Government's own assessment. They will mean, as we have heard, that huge numbers of people who are currently in work—including 1,000 local housing allowance claimants in my borough alone—will lose and lose big. Those people have jobs, and they will be forced a long way out of inner London. They will, of course, face commuting costs that make it extremely difficult for them to make work pay in the new environment.

I want to say a few words about the measures on social housing under-occupation, which so far have not received the attention that they deserve, because they are being phased in a little later than those relating to the private sector local housing allowance. We have seen the equality impact assessment released yesterday by the Department, and we know that the introduction of the size criteria for social housing will affect an estimated 670,000 people throughout the country. That number will rise as the pension age rises. It is 32%—almost one in three—of all housing benefit claimants in the social rented sector.

Most extraordinarily—I think this astonishing—the equality impact assessment states that the number of people with disabilities who will be affected by the change is twice as high as the number of people without disabilities. The Government are seeking to require, in two years' time, 450,000 households with a disabled recipient of housing benefit to move to an alternative property. That is what the impact assessment says—450,000. The figure is 670,000 people in total. If those people do not move, they will face a shortfall of £13 a week between their rent and their housing benefit. Not only is that a disproportionate and extraordinary impact on older and disabled people, but one wonders how on earth the whole policy of downsizing in relation to the under-occupation rule will work. The total number of households that moved in the social rented sector in the last year for which figures are available was less than 200,000. In 24 months' time, the Government will expect 670,000 people to try to avoid a penalty on their housing benefit by moving to smaller accommodation. That is three times more than the total number of people who get moved in the social rented sector every year.

Housing authorities, housing associations and councils simply will not be able to meet the demand for downsizing. The position is even worse, because there is a huge regional disparity, with by far the highest level of under-occupation in the north-west of England and by far the highest level of overcrowding and pressure on housing in London and the south-east. Local authorities will not necessarily be able to meet even the demand in their own local authority area. They will be seeking to obtain accommodation from other local authorities in other areas at the very moment when local authorities are tightening their criteria for housing allocations. Westminster council—my local authority—has just announced a 10-year residency qualification for people seeking to move into the area. It will not be offering any of its accommodation to people outside the area who are seeking to downsize.

The sheer mismatch between the legal duties on local authorities and housing associations, their own lettings criteria, their homelessness duties and reasonable preference requirements and what the Department for Work and Pensions expects to happen is extraordinary. I asked the Minister parliamentary questions to try to find out, before we got to the Welfare Reform Bill, what the practical implications of the measures would be. Of course, the reply that I get is that the Minister and the Department are still working on what the practical implications will be.

The scale of the problem is far greater than the Government have admitted, including in their response to the Select Committee. There will be huge practical difficulties in implementing the policies, which I suspect will end up in many cases either not saving any money or being completely impossible to implement, leading to greater responsibilities and homelessness costs in relation to other authorities. That is before we get into the extraordinary situation in which the new affordable housing delivery programme—150,000 new homes—welcomed by the hon. Member for Cardiff Central, will involve higher levels of housing benefit than most properties currently in the private rented sector, thereby pushing up the housing benefit bill at the same time.

A great deal of work needs to be done by the Government to see whether any of the proposals are workable, let alone able to accommodate the sheer hardship and social stress that will be caused by them. It would be nice to be able to house people who are on low incomes and in need for nothing, but that is not a possibility. We have to work with the resources that we have. What the Government are proposing will potentially create a perfect storm of housing need and difficulty with implications going far beyond the housing sector.

4.28 pm

The Minister of State, Department for Work and Pensions (Steve Webb): Let me begin, quite properly, by congratulating the Select Committee on its thorough and detailed report and by thanking members of the Committee and other hon. Members for their contributions to the debate. Members of the Committee and other hon. Members who have spoken have a lot of expertise on the benefits system in general and on housing and housing benefit in particular, and we have all benefited from that expertise today.

It would have been nice if the Government response to the Committee had been available slightly earlier than the day before the debate, but it was in the hands of the Committee yesterday, ahead of the debate, as I was keen for it to be. Rather than my standing up here and giving the Government response and then everyone going away and deciding what they thought about it, the Government response was already in the hands of the Committee and, as we have seen, members of the Committee have been able to read it, form a view and give further feedback, which has enabled us to have a useful dialogue this afternoon as part of the conversation. From that point of view, this has already been a worthwhile afternoon and a valuable process.

[Steve Webb]

I thank the Chair of the Select Committee, the hon. Member for Aberdeen South (Dame Anne Begg), for acknowledging some of the important steps forward that have been made since the Committee's report was tabled. There was some suggestion that we had paid no attention to it, but in her opening remarks, the hon. Lady graciously flagged two particular areas in which there has been significant progress since the Committee's report was produced. One was on research into the impact of the changes. The other, which was the subject of several paragraphs of recommendations from the Committee, was on the previously proposed 10% cut in housing benefit after a year on jobseeker's allowance.

It is tempting to say that Government responses to Select Committee reports should be judged by action, not words. If a Select Committee recommends a specific change in policy, and a change in policy subsequently takes place, it is a little ungenerous of members of the Committee to say, "Ah, yes, but the wording of the response was not good enough," or something similar, especially if it were done at significant cost to the Exchequer. The hon. Lady, of course, was characteristically gracious.

It may help if I update hon. Members on where we are on monitoring the impact of the changes. The Committee issued a press release to accompany the report three days before Christmas—it is good to see that they were working right up to the deadline. In it, the hon. Lady said that

> "it is too early to determine if this will happen in reality, which is why it is hard to say exactly what the impact of these changes will be."

There is an element of uncertainty, which is why we always intended to commission research and to monitor the impact of the changes. Discussions with their lordships prompted a fuller discussion of the form that it would take.

The research that we undertake will be independent. It will include comprehensive primary research on the effect of the changes on different types of households in a range of areas. The debate has shown that the impact of housing benefit in Blackpool is different from that in Cambridge or central London. We accept that, which is why the research will cover the whole of England, Scotland and Wales. It will be done over the next two years, due to a factor that was given insufficient attention in our debate. With a nine-month transition period, and with no change happening until the anniversary of claims, some people will not be affected by the change until December 2012.

That is the roll-out period, which is significant. Rather than there being a day when everyone's housing benefit is reassessed, with everyone competing for the same properties, new tenancies will be dealt with under the new rules, which is precisely the point of the exercise. We did not want people to be locked into new tenancies at above the new limit, day after day and month after month, only for us to say, "Oh, no, we've cut the limits, so the decision that you made three months ago is not valid." Instead, from April new tenancies will come under the new rules, so people starting new tenancies will face the constraints that anyone else will face, as we discussed earlier, rather than having a more generous system. It is right to make new tenancies under the new rules and to give existing households more time to adjust.

Ms Buck: Does the Minister mean new tenancies or claims, or changes of circumstance that affect existing claimants?

Steve Webb: That is a helpful question. We are talking about what happens after April. For people who are working but who become unemployed post-April, it will clearly be a new claim, and it will be dealt with under the new rules. The fact that they happen to be living in the same house as before will not affect the claim. However, as their circumstances change, they will face the new regime. They will have to decide whether to take the new rules—the new regime—and stay where they are. For example, if someone becomes temporarily unemployed but has a pretty good chance of getting a new job—many folk who become unemployed are typically back at work within three to six months—a short-term period on a tighter housing benefit regime can be accommodated before moving back to work.

The hon. Lady asked about the existing case load and the protection that we give those cases. The majority of relatively minor changes in circumstance will not affect ongoing entitlement.

Ms Buck: I am grateful to the Minister for allowing me to interrupt him again. In many parts of the country, the shortfall will be relatively manageable, which would accommodate his point about people being temporarily out of work. In London and some other high-cost areas, however, the difference could be £5,000 or more over three months. In those areas, the shortfall will be such that people who lose their jobs will also lose their homes.

Steve Webb: The phrase "lose their homes" is rather evocative and misleading. When people say that they have lost their home, they are usually describing repossession—their home; their loss. What the hon. Lady describes is someone who has presumably managed to sustain a very high rent—if the shortfall is £5,000 in three months, the rent must be enormous.

The suggestion that the taxpayer should keep paying a vast rent while the claimant decides whether to stay in the property brings me back to my fundamental concern about the tone of the debate, which relates to balancing the responsibilities of the individual and of the Government. It was evident to some extent in the remarks made by the hon. Member for Aberdeen South, and particularly in other contributions, that almost every combination of circumstances, every possible need and every possible variation was deemed to be responsibility of the Government.

The hon. Member for Hampstead and Kilburn (Glenda Jackson) mentioned our response to the Committee's report and some specific needs. For instance, she said that people living in a larger house might need somewhere to put a wheelchair and questioned whether it should be included in statute. The implication of what Committee members were saying is that they did not want it decided on a discretionary basis, but wanted it written into law. The point about our allowing an extra bedroom for carers is that we have legislated for it; after deciding on a category of clearly identified people and clearly specified needs, we wrote it into legislation, and it has become a right. However, there is a dividing line between identifiable, clearly categorised groups with particular needs and the much broader group listed in the Committee's recommendations that may need a room for a wheelchair or something else.

The question is not, "Do we give a damn?"—I am sorry; I mean, "Do we care?" The hon. Lady implied that the Government do not care and that we are telling people to get lost. No; as my hon. Friend the Member for Cardiff Central (Jenny Willott) said, the Government believe that some needs should be written into statute, which we have done in cases where previous Governments did not act. However, other needs are so diverse that we should have the local flexibility to respond when the need arises. That is better than sitting down in Whitehall, trying to think of all possible circumstances and writing primary legislation to deal with them, which is not a sensible way to proceed.

Dame Anne Begg: That is not what I or others were asking for. In other areas, we use proxies or other measures to help passport people into getting greater help. For instance, there is a good chance that someone on the highest rate of the disability living allowance care element will need extra housing. That factor would give them the right to apply for more housing benefit. It works with the council tax system, under which those who need more space as a result of a disability can get the council tax reduced to a lower band. It is straightforward and simple. The problem with discretionary payments is that not everyone gets them, because they can be refused.

Steve Webb: The hon. Lady has said that proxies can be used, which means that we can identify categories of people to whom additional concessions should be made. That is what we did with the extra bedroom for the carer. The report specifically mentions people who need an extra room for a wheelchair. People on certain rates of disability benefit will almost certainly have a wheelchair but live in a house that can accommodate it; others will live in houses that need another room for the wheelchair. Rather than trying to categorise everyone in the same way, the flexibility of the discretionary system allows us to cater for those differences.

I was pleased to hear the hon. Member for Westminster North say that we have to work within our resources. That was a heartening comment, because every pound spent on another recipient or on further delays and concessions—on everything that has been asked for today—comes either from someone else covered by the housing benefit system or from our contribution to tackling the deficit, which is one reason for the reforms.

The hon. Member for Stockton North (Alex Cunningham) said that it is a difficult time for local government, implying that the Government just fancied cutting council budgets by 25% because of what he called an evil Tory-led, or Liberal Democrat-Conservative coalition plot. We all knew that this would happen, because substantial cuts in local government were coming down the track anyway. It is important to acknowledge that that is the backdrop against which we are operating. This is not an environment in which there is money kicking around. It is not as if we can resolve all these problems and delay tackling the remorseless rise in the housing benefit budget. Every £1 billion that goes on housing benefit every year is £1 billion that the low-paid, hard-working taxpayers, who are our constituents, will have to find.

Alex Cunningham: There would have been cuts under a Labour Government as well, but they would have been spread over a longer period of time. Does the Minister not accept that the pressure on local authorities today in dealing with all the inquiries from people who are worried about the Government proposals is just adding to the strain that they are under at a time when they are losing staff and more people are coming through their doors?

Steve Webb: As the hon. Gentleman has said, local authorities are making plans to reduce staff over the coming years. Some local authorities have chosen to frontload more than is necessary—more than is proportionate to the cuts that they have had—for their own political reasons. Nobody disputes that this is a difficult financial environment for local government; it is. Part of the problem is that spending has been allowed to get so out of control that we have had to rein it in rather rapidly.

Ms Buck *rose—*

Glenda Jackson *rose—*

Steve Webb: I will give way to the hon. Member for Westminster North in a second. One of the reasons why deficit reduction is so vital is that so many items of spending have become too large. Some of the concessions that we have talked about would be £100 million here or £500 million there. Very soon they add up to serious money.

Ms Buck: Let me make one thing clear. Of course the financial context is important. When I used the word resources, I was not only talking about money, but making an important point. With the social housing stock, we only have so many units into which we can pack people on lower incomes. We know that many people—we know how many—need to be accommodated in the private rented sector, and we know the geographical distribution of those properties. One of my big concerns is that we are attempting to do something with that that cannot be done.

Steve Webb: That is where I fundamentally disagree with the hon. Lady. The flaw in her analysis is this static view of the world: housing stock and the private sector is as it is and nothing can ever change. The figures that she quoted from the impact assessment assume that nothing changes. The losses she quoted assume nothing changes. Nobody can find somewhere cheaper to live; they just stay where they are and lose the money. Rents do not go down; they stay exactly as they are. The impact assessment from which she quoted is the worst-case scenario.

However, what actually happens is different. Let me give an example. If we were able to reduce rents by £10, that would wipe out nearly 500,000 people with shortfalls. One of the questions that was asked in the debate was: how will landlords respond? Guess what? When landlords

[Steve Webb]

were surveyed, they said, "Oh, we won't cut our rent." Well, there is a shock. Of course they would. They do not want these cuts because they are the ones who will be most affected. I was very surprised by the hon. Member for Brighton, Pavilion (Caroline Lucas) for whom I have a lot of respect—sadly, her contribution was 90% polemic and 10% substance—because she seemed to be defending private landlords. They are the people who get this money. They are the people who have got the £21 billion that used to be £11 billion 10 years ago. I did not know that they were her best friends. That is where the money is going.

The question is: if we go to direct payment in cases in which it will secure a tenancy, will landlords bite? We have 1 million private sector tenants on housing benefit. We have all seen adverts that say, "No housing benefit" but there are also 1 million people with private sector landlords getting housing benefit. Therefore, someone out there is renting to people on housing benefit. If a private sector landlord is renting to someone whose housing benefit gets squeezed and they or the council says to them, "You can have a guaranteed rental stream straight into your bank account month after month if you will reduce your rent to a level that will enable the tenancy to carry on" that is hugely attractive. It is turning a tenant into a triple A credit-rated tenant rather than someone who may or may not pass on the rent.

Dame Anne Begg *rose—*

Glenda Jackson *rose—*

Steve Webb: I will give way in a moment. Landlords are quite clear that that is hugely attractive to them. It is worth shaving the rent for, and that is often all that it would take.

Dame Anne Begg: It is actually possible to accept the Minister's argument. The problem is the Government are about to introduce universal credit, which will make direct payments impossible, unless he has a different idea.

Steve Webb: We are focusing specifically on the roll-out of these changes over the next two years. Over that period, before universal credit comes in, this mechanism will be in place. Clearly, there is plenty of time to work out ways of underwriting the rent to the landlords combined with the universal credit. The crucial point is that this is a transitional issue, although there are longer-term aspects as well. It is in this transition—the crucial period in which the housing market adjusts—that the mechanism will be most effective.

Dame Anne Begg: May I make a suggestion to the Minister? It is that very point that concerns the housing associations, which already have direct payments. They are terrified that under universal credit, there will be no direct payment, which could undermine their whole ability to get us out of this mess by building more houses because they are not able to borrow the money. That is a serious concern.

Steve Webb: Indeed. In co-operation with our colleagues at the Department for Communities and Local Government, we are working through the way in which we can ensure that these affordable rent tenancies—80% of market rent tenancies—have a guaranteed revenue stream that will enable the investment to take place and those discussions are ongoing.

Angie Bray (Ealing Central and Acton) (Con): I apologise for coming in so late. I absolutely agree with the Minister when he says that landlords will inevitably adjust. That is what the private sector does. When the benefit changes, there will be so many tenancies affected that there will be a sizeable effect on the market. The Opposition sometimes forget that this is about not just cost-cutting but fairness and balance. We must remember the taxpayer in all of this. In Acton, we had that amazing example—some called it grotesque—in which a family was plonked into a house that was worth well over £1 million. Very few people in Acton can afford to live in a house of that value. There are some really unfair things that must be addressed.

Steve Webb: I am grateful to my hon. Friend for setting that context. During the course of this debate, one or two hon. Members have said that this is all about chasing the headlines in the red tops—the tabloids—and it is that that is shaping policy. Clearly, this is not a policy about a small number of extreme cases. The hon. Member for Hampstead and Kilburn says there are about 90 cases, but let me give one example. The top 5,000 cases of people to whom we pay housing benefit cost us £100 million a year. For 5,000 people to live in properties—

Glenda Jackson: It is not 5,000 people; it is 5,000 families.

Steve Webb: The hon. Lady can have 5,000 families, but she is, I think, losing sight of zeros. For someone in the Department for Work and Pensions, £100 million does not seem such a big figure, but it is a colossal amount of money that is not providing value for the hard-pressed, low-paid taxpayer, who often does not live in brilliant accommodation. It is not a good use of £100 million.

Ms Buck: I will try to make this my last intervention. Given that the Minister says it is a colossal amount of money, does he agree that introducing affordable rents in the social rented programme, which will add £200 million to the cost of housing benefit, is also not a good example of joined-up government?

Steve Webb: As the hon. Lady knows, a lot depends on who takes those tenancies. If they are people who would have been in lower-rent social tenancies, the housing benefit costs will be higher, but if they are people who would have been renting in the free-market private sector, the costs could end up being lower. The numbers that she quotes are spurious.

Glenda Jackson: I want to know the Minister's evidence for believing that landlords in the private rented sector will lower their rents. That certainly was not the finding of the National Landlords Association, which I mentioned earlier in the debate. Surely it is dependent on whether there is an excessive amount of empty properties, which, in a constituency such as mine, or any in central London, is an absurd premise. For all the properties concerned, there are many more people who are willing to take them on.

Steve Webb: I have a number of observations to make. First, the hon. Lady cited "evidence" that was not evidence at all, of course. It was a survey of the people who stand to lose from the policy, who mysteriously wanted to undermine the policy. When we talk to landlords' groups—as we do—it is absolutely clear that direct payment is a prize for them. I hope that she does not argue with that statement. It is self-evident, blindingly obvious and common sense.

Glenda Jackson: Will the Minister give way?

Steve Webb: Can I just respond to the hon. Lady's points before giving way to her again? *[Interruption.]*

Jim Sheridan (in the Chair): Order.

Steve Webb: I hope that I can just respond to the points that the hon. Lady has made.

Glenda Jackson: I did not make that point.

Steve Webb: Landlords clearly value direct payment. There is no doubt about that. It is common sense and stands to reason. I do not know if the hon. Lady accepts things that stand to reason, but it is patently obvious that landlords value direct payment. There is an economic value to direct payment. It offers certainty as opposed to uncertainty. That can translate into lower rent. If landlords have a choice between the rent that they previously charged with uncertainty about whether they get the money, and a slightly lower rent with certainty of getting the money, landlords will go for certainty every time. That is common sense.

Glenda Jackson: Will the Minister give way?

Steve Webb: In a moment. The hon. Lady also said, "Where are all these properties? There is this massive, pent-up demand and these landlords will just go somewhere else." If there is that massive, pent-up demand, why have landlords not already gone somewhere else? Why have they not already increased their rents beyond what housing benefit covers today? Why are they not already renting to non-housing benefit tenants? There is a reason why they rent to housing benefit tenants: they get the money, particularly with direct payments.

Glenda Jackson: Oh, I am most grateful to the Minister for giving way. The words "direct payment" never passed my lips and as I said in an earlier intervention, I would be grateful if the Minister could try to answer the questions that I put to him. Then there is the issue of why landlords are not renting to others outside the housing benefit sector. As I have pointed out, there is a growing trend that private landlords will not accept tenants whose rent is paid by housing benefit. In my constituency and contiguous constituencies, I do not see a massive increase in signs showing places to let.

Steve Webb: I hesitate to bring facts into the debate, but the number of properties in the private rented sector with tenants on housing benefit, which the hon. Lady says is falling and indeed she also says that such properties are hard to find, has risen since November 2008—

Glenda Jackson: Where?

Steve Webb: Across the country. It has risen since November 2008 by 440,000. To listen to the hon. Lady talk, one would imagine that tenants on housing benefit cannot find anywhere to live. There are 1 million tenants on housing benefit in the private rented sector. To listen to her, one would think that those people do not exist. Unfortunately for her, I am afraid that what she describes is at variance with the facts.

Ms Buck: Will the Minister give way?

Steve Webb: As such a wide range of issues were raised during the debate and a number of hon. Members have contributed to it, I will make a bit more headway and then I will be happy to give way again.

I was about to describe the evaluation and assessments that we will be carrying out, because a lot of the points that were raised during the debate were about particular groups of people. I want to identify the facets of the research that we will be undertaking.

To ensure that we gather the evidence required on key areas of concern, such as the behavioural and market responses of claimants, landlords and external organisations, we will commission primary fieldwork that will cover a number of issues, which I will now take the House through. They are: homelessness and moves; the single shared accommodation rent, which I will come back to later because there were a lot of misconceptions about that during the debate; the impact on Greater London, which is explicitly in the terms of reference for the research; the impact on rural communities, which I think has been mentioned in the debate; the impact on black and minority ethnic households, which has been mentioned; large families, family life and children's education, and schools, for example, were mentioned in the debate; older people, who were mentioned in the debate; people with disabilities; working claimants; landlords, and housing and labour markets. There will be comprehensive evaluation that will start imminently and that will run over a two-year period. We will be watching—very carefully—what goes on and we will be reforming the system, with measures such as the allocation of discretionary housing payments.

Discretionary housing payments are quite important. Although the allocation of those payments for 2011-12 has been determined, the allocation has not been determined beyond that time. The total budget has been determined and it will treble. This year, it will be £20 million and then it will be £60 million a year for the next three years. We will treble the total budget. However, where the money goes will be informed by the early roll-out and by the research. We will base the policy on the evidence about the impact on the ground. If there are particular areas—hot spots—where there is particular pressure, we will be able to gear the discretionary housing payments money to those areas.

[Steve Webb]

I enjoyed the observations of the hon. Member for Aberdeen South, who is the chair of the Work and Pensions Committee, about how often we refer to discretionary housing payments. I take her point. I read the Government response myself and I noticed the same thing. However, there is a reason for it. It is that the Select Committee's report quite properly identified specific sets of circumstances that need to be addressed and they will be addressed by a response that is tailored to the local situation. If there are particular geographical areas where there are particular local pressures—we heard about a number of such areas during the debate—the DHP system will be tailored to those areas. It is almost a circular argument. That is the reason why the DHP system is our answer to most of the questions put to us, because it is the best way to respond to different but equally significant local issues of the type that have been raised during the debate.

I now come to the issue of the shared accommodation rate. Technically, I know that the title of the Committee's report is, "Changes to Housing Benefit announced in the June 2010 Budget", but as the shared accommodation rate was covered in the report I will address it.

The question is, "Why do we pay a shared accommodation rate to the under-25s only, because many young people are sharing and is it fair"—to come back to the point about fairness made by my hon. Friend the Member for Ealing Central and Acton (Angie Bray)—"that someone in their early 20s on housing benefit can, in principle, get a flat to themselves but someone in their early 20s who is in work and beyond the reach of the housing benefit system has to share, because they cannot afford a flat of their own?" That is the thinking and in fact that was why the shared accommodation rate was introduced. I think that it was introduced about 15 years ago, if I remember correctly. It has certainly been a feature of the system for many years.

When we have looked at the 25 to 35 age group, we have found it striking that a very high proportion of individuals who are not on housing benefit in that age group are also sharing accommodation. The number of people sharing accommodation does not tail off dramatically at the age of 25. More than 40% of non-students—single people—in this age range are sharing accommodation in a range of situations.

Various questions were asked about shared accommodation during the debate. For example, "Is any of this sort of accommodation available?" One of the notable things is that about 50% of those being paid the shared accommodation rate now are over 25. We have to think about that for a moment. The shared accommodation rate is only imposed on the under-25s, but if someone applies for housing benefit from shared accommodation and they are over 25 they receive the shared accommodation rate, even though they could receive housing benefit for a one-bedroom flat. There is a set of people over the age of 25, therefore, who could receive housing benefit for a one-bedroom flat but who are living in shared accommodation. That suggests, first, that some of those people have chosen to do so and, secondly, that the properties of that type exist. That helps to counter the suggestion that those properties simply do not exist.

Of course, there will be local variations. I accept that point and I will come back later to the point about houses in multiple occupation. However, I think that the hon. Member for Aberdeen South, the Chair of the Select Committee, wants to intervene.

Dame Anne Begg: Again, I suspect that the group of people that the Minister is talking about were already in that shared accommodation, which illustrates that people do not like to move house because of the upheaval involved. It also illustrates that not everybody is out to milk the system and receive the maximum amount of housing benefit. It does not illustrate at all what the Minister said it illustrated.

Steve Webb: I do not think that I have ever said that everybody is out to milk the system. Moreover, the hon. Lady is guessing what the figures tell us. Clearly, the information demonstrates that such properties exist. It was asserted during the debate that, "You just can't find these properties".

Several hon. Members *rose—*

Steve Webb: Let me just explain what I mean by that. The hon. Lady and others said that we are expecting young people to live in HMOs and that those HMOs may not be there. However, to qualify under the shared accommodation rate, someone does not have to be in an HMO. For example, someone could be a lodger. Her Majesty's Revenue and Customs already runs the rent-a-room scheme, whereby owner-occupiers can receive several thousand pounds a year in tax-free rent simply by renting out a room. Someone renting in those circumstances would qualify for the shared accommodation rate. There are statistics about HMOs, licensing and all the rest of it. However, if we think that things will be a bit tight and that some people might face unemployment and therefore will need some extra income, we might find that more owner-occupiers in a particular area are renting out spare rooms. That might be a very rational thing to do and that will increase supply. But of course the entire debate that we have had today has been based on the assumption that nothing changes. What we are saying is that this change will create a new demand for these shared rooms and spare rooms, and the market will to some extent adjust. That is part of the story.

Several hon. Members *rose—*

Steve Webb: I will give way to the hon. Member for Aberdeen South, the Chair of the Committee, and then I will give way to the hon. Member for Hampstead and Kilburn.

Dame Anne Begg: I am sorry, but I have now forgotten what my point was.

Steve Webb: Okay, I shall give way to the other hon. Lady.

Glenda Jackson: I just wondered whether the Minister had the shared accommodation figures, and why hard-working taxpayers are not offended by HMRC allowing people to have tax breaks when they let a room.

Steve Webb: I have a feeling that it might have been the previous Government, in whom the hon. Lady was a Minister, who introduced the rent-a-room rate. The point about the rent-a-room scheme is to try to make better use of the housing stock. I will not dwell on the social housing overcrowding measures—they are in the Welfare Reform Bill and are not the subject of this report—but I will say that much of what the Government are trying to do is about recognising the limitations of the existing social housing, private rented and owner-occupied stock, and making better use of it.

We have here a classic example. Rather than pay a 29-year-old single person the full housing benefit for a flat of their own, we could pay them housing benefit that enables them to live in a spare room in someone's house, which would be good news for the person who owned that house, would free up the one-bedroom flat and would save the taxpayer money. I have no idea why the hon. Lady opposes that idea, unless it is on the grounds that it is better value for money. *[Interruption.]* I am sorry, but I have not given way. I am trying to manage my time, because we have covered a very wide range of topics.

I have covered the fact that accommodation does not need to involve HMOs, and I have raised the rent-a-room scheme. As soon as I talk about, "living with family", everyone will throw their hands up in horror and say, "You can't possibly expect people to do that," but there are diverse circumstances. For example, there is a set of people in their late twenties who live at home with their parents—I think they are called the boomerang generation. For them, it is a rational thing to do, and it enables them perhaps to save up for a deposit on a house. There is also a set of people who live close to family and have a good relationship with them—there are lots of caveats to that—to whom we pay housing benefit for the full rent on a one-bedroom flat just for themselves, when they have family down the road who could accommodate them at no cost to the taxpayer. At a time when money is tight, asking them to consider that option seems entirely rational and a sensible way to use the existing housing stock.

The hon. Member for Aberdeen South spoke about the housing market in her own constituency. I do not think that anyone is saying that all housing rent inflation is about the LHA. I do not think that I have ever said that, and I am not aware that any of my ministerial colleagues have either. I do not dispute for a second that in Aberdeen and other places local market factors drive up rents. However, it is clear that rising real rents are part of the story. In response to Professor Steve Wilcox, whom I know well because I have written papers with him, our breakdown of the growth in housing benefit between different factors suggests a significant role for rent growth. Let me just take Members through how we get to that.

In the past decade, between 2000-01 and 2010-11, the cash increase in spending on housing benefit was £10.5 billion. It is worth reflecting on that £10.5 billion increase over 10 years, and there is no sign of that increase easing off. With another billion, another billion and another billion, doing something does not seem particularly deplorable. Out of that amount, £5 billion is straight inflation—what we would have expected on the strength of inflation—£2 billion is real terms social rent growth, £2 billion is real terms private rent growth, £2 billion, right at the end of the period, as the hon. Member for Westminster North said, is case load growth, and about £500 million is the child benefit disregard. Real rent growth, therefore, is not only about the LHA, but it is a significant contributor to the growth in spending.

The challenge for us, as a Government, is whether to just sit back and take it, letting private landlords go on increasing rents above inflation year after year, and saying, "Yep, that's fine, we'll pay that," without trying to put a brake on it. That is where CPI comes in. I have seen the projections. If CPI is done for decades, it of course has the sorts of effects that were described in the Shelter research mentioned by the hon. Member for Stockton North and, I think, the hon. Member for Brighton, Pavilion, who has now left us. CPI is not for ever. We have said that CPI on the LHA rates will be introduced in 2013, and will be reviewed at the end of the comprehensive spending review period in 2014-15. At that point, we will look at the impact, but what CPI will do is put a brake on the expenditure. Housing benefit expenditure is like a runaway train—nothing seems able to stop it—and we have to try to get the housing market to structure itself differently, rather than keep feeding the runaway train.

Alex Cunningham: If, as the Government say, CPI is the only fair way to determine increases in the future, is the Minister suggesting that they will go back to an unfair system at some point?

Steve Webb: No. The hon. Gentleman, possibly with my help, might be confused. We have already had lengthy debates on CPI as a measure of inflation for uprating benefits, and our judgment is that it is the most appropriate measure of inflation. What I am talking about here is what we do to the LHA rates in 2013. We will put a brake on them rising faster than inflation for two years, and at that point we will look at the impact. That is all I am saying. We are putting in place a mechanism that will cause a pause in that remorseless rise, and I have heard almost nothing in this debate about how we will tackle the growth, apart from building more houses, which is vital—in the past year, we have had the lowest rate of private house building on record, or certainly for a very long time. The argument appears to be, "Lie back and take it," but that is not the action of a responsible Government.

My hon. Friend the Member for Cardiff Central raised the issue of broad rental market areas, which is relevant in the CPI context. If LHA rates are to be subject to CPI, ideally the broad rental market areas should not move around because the base figure subject to CPI would not be clear. The broad rental market areas must be frozen at the point at which one goes to CPI, and the question is what they would be at that point. My hon. Friends the Members for Cardiff Central and for Cambridge (Dr Huppert) have properly highlighted the problems with the city of Cambridge and the wider area of Cambridgeshire, and although there have been changes to the BRMAs around that area, the idea is that they will be fixed in 2013. My hon. Friend the Member for Cardiff Central mentioned coterminosity with local authorities, in relation to Wales, and that is one of the options being considered. It is an option that has a number of attractions. In London, it would mean

[Steve Webb]

that the BRMAs were smaller, and the affordability figures would therefore be within a tighter geographic area. We would be unlikely to make significant changes this side of 2013, partly because every time the rules are redrawn, another set of gainers and another set of losers are created. So, we would rather do that at the point of moving to CPI in 2013.

Local authority boundaries are not without their own problems. Many of my Liberal Democrat colleagues represent seats in Cornwall. Cornwall is now a unitary authority and the whole of Cornwall would be one BRMA—I think that BRMAs can be smaller than that. My colleague who represents Land's End, my hon. Friend the Member for St Ives (Andrew George), and my hon. Friend the Member for North Cornwall (Dan Rogerson) might have views about the interchangability of their two areas. There is no simple solution, but we are certainly looking at local authority boundaries in response to the points that my hon. Friend the Member for Cardiff Central has raised.

Universal credit has been mentioned, and it was asked whether housing benefit would go in at a flat rate. The details of that will be discussed more in the Welfare Reform Bill Committee, but my certain understanding is that the intention is not simply to have a "so much for housing" number in the universal credit. I think that the approach will be much more tailored, but I am sure it will be discussed much more fully in the Committee.

On the under-occupation rules, it was asked whether people would be moving from three-bedroom houses to one-bedroom flats. The data show that about three quarters of the under-occupation in the social rented sector is by only one bedroom, so the move from three bedrooms to one bedroom would represent perhaps a quarter of the change. The impact might not be quite as great as I think the hon. Member for Westminster North suggested, but we have just published some more data on that.

Ms Buck: I am grateful to the Minister for giving way again; he is being generous. We will be addressing this issue in the Committee on the Welfare Reform Bill, so we must think about it.

In my contribution, I mentioned that the total number of transfers in social housing stock in one year was only one fifth of the total number of people who will need to move to avoid the under-occupation penalty after its introduction. Has the Minister thought about that and discussed it with the Department for Communities and Local Government? Surely any penalty applying to people in the social security system must be avoidable. The question is whether the capacity in housing stock makes the under-occupation penalty avoidable.

Steve Webb: It is important to remember that we are discussing a change that will not be introduced for more than two years. The fact that local authorities and housing associations know that the change is coming two years down the track will affect tenancy decisions and allocations now, so it will be part of the mix. Putting someone into a property that they are under-occupying, knowing that in a few years' time they will not be covered by housing benefit, would raise issues. The situation will be ameliorated partly by forward planning. However, these are issues in the Welfare Reform Bill rather than the report. I fully accept that they are important issues and will need to be managed.

I propose to allow the Chair of the Select Committee to respond at the end of the debate, if she would like to do so, so I will leave some time for that, but first I will consider some of the main themes that have emerged during the course of this debate. The dropping of the 10% cut after a year was an important theme of the report, and we have heard several hon. Members discuss their quite proper concerns about that. We took the view that the measure was not necessary after 12 months on benefit, given the introduction of the Work programme, which will support people, and the universal credit. We took account, obviously, of what the Select Committee and others who made representations had to say. Naturally, I was pleased that the proposal was withdrawn. It is another example of how we have responded to the proper concerns raised by the Select Committee.

Since the proposals were first published, they have been considerably improved. On the nine-month transition, the changes will start to have an impact from April, but rather than a cluster of people chasing after the same properties, we will see the rental market start to adjust. Landlords will adjust their rent-setting behaviour; we will see whether the mechanism that we have implemented—direct payment, where that enables a tenancy to happen—is working; and we will be able to refine it over the next nine months before almost nobody with an existing claim starts to be affected. I stress that people will not be affected until the anniversary of their claim. For some people, that will be 18 months or more. The process will be gradual, giving us a chance to monitor what is going on and to consider the allocation of discretionary housing payments as we go, which improves the proposition considerably.

To draw the threads together, one thing that strikes me about this debate is that it is clear that whoever was running the country at this point would have done a number of the things that we have done and are now being criticised for. We have heard figures quoted on the losers: 500,000 people will lose an average of more than a tenner a week from the abolition of the £15 excess. The previous Government decided to delay that change by a year, because there was an election coming, but we are going to do it, yet the figures for losses have all included that. It would be unfortunate if anyone gained the impression that we are making new policy and new decisions. This would have happened anyway and was part of what was planned.

As my hon. Friend the Member for Cardiff Central said, the previous Government applied bedroom caps. They drew the line at five, and we draw the line at four, but the principle is identical. The outgoing Administration stood on a platform of restricting housing benefit to what somebody in work could afford. What does that imply? The 30th percentile. Using the 30th percentile, getting rid of the excess and applying bedroom caps is virtually there. I hesitate to say this, but almost everything that we are doing is Labour party policy, yet the Opposition suggest that this is some sort of evil right-wing plot to attack the poor.

The idea is that the housing market is not static. It is influenced by what the Government do. We cannot spend £21 billion a year subsidising rents without influencing the housing market. Does anyone think that if we abolished housing benefit tomorrow, it would not have a massive effect on the rental market? It would have a huge effect. We are players in the market, and we have a huge effect.

Our challenge is to ensure that the system is fair. In most rental market areas, 30% of properties will be affordable. There will be a transition to the new system of at least nine months for existing tenants and up to a year after that to ensure that in difficult local situations treble the amount of discretionary housing payment will be forthcoming. The fact that the budget is £20 million this year and will be £60 million in two years' time, repeated over a three-year period, indicates that we accept that there will be difficult individual cases in which adjustments must be made, which is why we have provided the money.

I do not apologise for tackling something that has gone untackled for too long. The budget was growing remorselessly by billions year after year. We must ensure that taxpayers' hard-earned money is well spent, and we believe that the housing benefit changes will make that difference.

5.15 pm

Dame Anne Begg: With the leave of this Chamber, I will make a few closing remarks. We have heard that only one in four housing benefit claimants is unemployed. The proposed changes will therefore affect many people who are working hard to make ends meet, and they could force many of them further into poverty. At the extreme end, we could return to homeless hostels and large numbers of families living in bed and breakfast accommodation. That would be a tragedy after the previous Labour Government's success in almost eliminating such accommodation and dramatically reducing the number of rough sleepers.

Even if we accept the Government's intention that people should not be over-housed or living in accommodation that they cannot afford, the proposals will force many people and families to move house. We know that moving house can be very stressful: indeed, it is said to be the most stressful event in a person's life after the death of a loved one and divorce. Even if we accept the Government's assurances that people will not be made homeless and will be able to find accommodation of the right size at an affordable rent, all of which is questionable, large numbers of people will be unable to avoid the stress of moving house as a result of the proposals.

I am glad to have had the chance to debate this important issue. I am sure that hon. Members will want to return to it on many occasions in the coming months as the proposals are rolled out and begin to affect all our constituents.

Question put and agreed to.

5.17 pm

Sitting adjourned.